

Good Morning American News

Anguilla celebrates U.K. rule

By David Lascelles
ANGUILLA, August 3.
ANGUILLA to-morrow celebrates its detachment from the associated state of St. Kitts-Nevis-Anguilla and its reversion to colonial status with Britain ending four years of political and economic limbo since the revolution of 1967. The detachment follows the order in council which came into force on Wednesday.

To-morrow's events, which will mark the beginning of a full year of rejoicings, include the wearing in of the Anguilla flag, the island's legislative assembly, and the formal election of its leader. Mr. Ronald Webster, who has headed the island since 1967, the devoted Anguillians will also hold thanksgiving services in each of their 42 churches. The island's normal population of 7,000 has swelled to 10,000 for the occasion.

In an interview with the Financial Times, Mr. Webster said one of his Council's first steps could be the imposition of new taxes as a step towards balancing the island's budget which depends heavily on British grant in aid. These could not be levied on Anguillians but on outsiders and corporations by means of company taxes at a level still to be calculated and airport arrival and hotel taxes. His Council would then set about developing the island's economy with tourism and light industry which he hoped to attract with tax incentives.

Mr. Webster said the possibility of Anguilla rejoining St. Kitts-Nevis was "a dead letter" even though the order in council requires that a referendum be held within five years to determine the island's future status. Mr. Bradshaw, the St. Kitts Premier, has made no comment about the detachment since announcing it as illegal last month.

Observers in Anguilla believe that although the overwhelming majority of islanders support detachment, Mr. Webster's personal following has fallen off since the early days of the "revolution," particularly among the wealthier and better educated Anguillians who resent his national stance. But Mr. Webster is expected to win a substantial majority at the forthcoming elections, due to be held before the end of the year.

Canadian foreign reserves reach record figure

By Our Own Correspondent
OTTAWA, August 3.
CANADA'S foreign exchange reserves reached a record of \$492.3bn. at the end of July compared to \$485.1bn. a month earlier.

The increases, reported by the Finance Department, are due mainly to a rise in holdings of U.S. dollars. These had increased to a record \$336.4bn. Canadian holdings of U.S. dollars had been \$318.7bn. at the end of June.

The increase in holdings of U.S. dollars apparently resulted from selling of Canadian dollars in exchange for U.S. ones as Canada tried to hold down the international exchange value of its currency.

In July Canada also acquired \$17.9m. worth of Special Drawing Rights from the International Monetary Fund bringing its total to \$370.8m. Canada's total reserves at the end of July included \$485.1bn. which it can draw from the IMF without question if it is needed for any balance of payments purposes.

Difficulties in Spanish-Cuban negotiations

By Our Own Correspondent
MADRID, August 3.
CUBANS, who exhibited their products at the Barcelona fair, said they were very interested in Spanish medical equipment, transport material and technical know-how, but they refused to discuss how to meet the needs of mainly sugar and tobacco.

The negotiators found it difficult to strike a balance between Cuba's need for self-sufficiency in sugar production—refused to buy more Cuban sugar. A second difficulty arose when the Spaniards proposed that the current barrier deal agreement should be reshaped into a free convertibility agreement similar to the one Spain has signed with other Communist countries.

According to unofficial sources, a sharper note crept into the conversations when the Spanish negotiators demanded the release of Spanish prisoners in Cuba. The Spaniards also insisted on payment of an adequate indemnity for Spanish property confiscated in Cuba.

GM plans 4.1% price rise, below Ford, Chrysler

By JUREK MARTIN
NEW YORK, August 3.
GENERAL MOTORS, the largest American car company, let it be known today that it is planning to increase the price of its cars in the new model year, which begins in a few weeks, by an average of 4.1 per cent, or \$192 a vehicle.

The GM price increase is notably less steep than that tentatively announced last week by Ford, which said that it was going to post a 5.2 per cent. rise. Chrysler, which is in the same terms as Ford, however, such is GM's muscle in the car business that it is quite likely that Ford and Chrysler will roll back their planned increases to GM's level in order to preserve the price edge that they, especially Ford, generally hold over GM.

In practice, GM expects the increase to be slightly less than 4 per cent. It has raised the prices of the optional equipments it installs in its cars by just 3.2 per cent, and calculates that the typical new car, which includes some optional equipment, will cost 3.9 per cent. more than last year's model.

The GM price announcement, of course, has implications far beyond the car industry. Car prices are one of the key components in the inflation picture and the fact that GM has found it possible to hold its increases to only half that proposed earlier this week for the steel industry and lower than its competitors is not a discouraging sign. If the Nixon Administration could hold down the rate of national inflation to that of GM's higher car prices it would not be displeased.

Nonetheless, the 4.1 per cent. increase is high by the standards of the car industry. As recently as for the 1969 model year (which actually started in the autumn of 1968) GM only put up its prices by an average of 1.6 per cent. for the 1970 model year the increase was 3.9 per cent.; a year ago, at the start of the 1970 model year GM went up by 4 per cent. (though by making certain hitherto optional equipment standard the actual effect was an increase of over 6 per cent.).

However, in an unusual step, occasioned mainly by the cost of the labour settlement last year, GM in November increased its prices by 0.7 per cent., giving an effective increase for the model year as a whole of nearly 7 per cent. If GM can hold the 4 per cent. this year, the improvement will be marked.

All-time high
The car industry as a whole is enjoying an extremely profitable year that is giving it some freedom in its pricing policies. Nonetheless the latest car sales statistics, for the month of July, are noteworthy not for the gains achieved by the domestic producers but for the continued startling inroads being made by the importers. American car companies last month increased sales by 4 per cent. on the same month last year. GM, with sales up 14 per cent. to the extent that in July the imports share of the overall market rose to a new all-time high of 17.9 per cent. Volkswagen sales were actually down in the month but the Japanese producers, Toyota and Datsun, had fantastic month, all the more remarkable when one considers that throughout July all the West Coast ports were shut down by the dock strike. Toyota in fact sold nearly 30,000 cars, a record for any single month.

U.S. inflation shows sharp upward turn

By Guy de Jonquieres
WASHINGTON, August 3.
ANOTHER key inflationary indicator turned sharply upwards today, when the U.S. Government announced that industrial commodity prices rose by 0.7 per cent. on a seasonally-adjusted basis in July. The increase, which was 0.3 per cent. before adjustment, is the largest for nearly 15 years.

This increase was offset in the overall wholesale price index by an absolute decline in food and grocery prices, which fell by 1.3 per cent. (or 0.7 per cent. before adjustment) during the same month. This is the biggest monthly drop since early in 1957.

While the Administration can point to the slight overall rise of 0.2 per cent. in the index as an encouraging sign, the seriousness of the increase for industrial commodities cannot be denied and is likely to have a proportionately greater impact on the economy as a whole than the fall in food and groceries.

The July increase brings the total rise in industrial material prices during the preceding six months to an annual rate of 4.7 per cent., seasonally adjusted. This is 0.3 per cent. higher than the annual rate for the same, extremely inflationary period, last year.

While Government economists have warned repeatedly against reading too much significance into one month's figures, it is unlikely that August will show any great slackening off in the industrial commodity component.

The July figures, which were inflated by price rises for metals, metal products and lumber, do not include the 0.3 per cent. across-the-board price increases announced by the major American steel companies on Monday, following the conclusion of the contract negotiations in the steel industry. These will only start to show up this month.

Sudden, erratic price movements in food and groceries are much more common than for industrial commodities. The fall in July food prices appears to be due to an easing in supply after a period of shortage, due to bad weather which spoiled many crops in the southern U.S.

U.K. refuses to sponsor germ war ban draft

By Our Own Correspondent
GENEVA, August 3.
BRITAIN declined today to join the U.S. and Soviet Union in sponsoring a new arms control treaty for the prohibition of biological means of warfare. The treaty draft, submitted to the Geneva disarmament conference, was largely based on a text presented in July, 1969, by the British delegation.

Turning down an invitation by Washington to join in sponsorship of the treaty does not mean that Britain will refuse to accept the text. British officials said. The explanation, they said, is that the compromise version drafted by the U.S. and Soviet Union deviates from the original British text on two important points.

Britain wanted a ban on the "use" of biological agents in war to be contained in an operative article rather than in the treaty preamble. It also wanted any complaints of violations to be considered by an impartial authority before submission to the UN Security Council.

The U.S. and Soviet Union decided to leave all complaints up to the Security Council alone. This, according to British negotiators, means that Moscow could block any investigation of alleged cheating by application of its veto.

It is generally believed by most conference participants, however, that if today's U.S. Soviet draft with some minor changes, receive conference approval by the end of August. The next step will then be presentation of an agreed text to the General Assembly for universal adoption.

Under the terms of the treaty proposal, all signatory states undertake to ban the development, production and stockpiling of biological weapons, and to destroy existing stocks. Washington and Moscow also promise to continue negotiations "in good faith" on the prohibition of chemical means of warfare.

European News

Romania's isolation in E. Europe stressed

By Michael Simmons
East European Correspondent
THE CAREFULLY controlled dialogue between the Soviet Union and Romania took a further distinctly cool turn yesterday when an editorial in Pravda, the Soviet Party newspaper, praised the Crimea "summit" of last Monday—from which Romania was excluded—as a good illustration of "unbreakable Communist solidarity" at work.

"Life many times has proved that socialist internationalism, fraternal friendship among the peoples of Socialist States and their unbreakable solidarity were, and will be a reliable support and powerful weapon in the struggle against enemies," it declared.

The entire East European camp, sometimes in broadest terms, stressed the importance of the "summit". The Bulgarians, who are shortly to meet hosts during military manoeuvres along Romania's southern frontier, said of the Crimea meeting that "we can declare firmly and categorically that yet another page has been written in the name of close fraternal joint actions."

The Czechoslovak view was that "even though the meeting took place during the participants' holidays" it was of "first-rate political significance."

The Prague speaker reminded of the Bratislava summit of early August 1968, which preceded the Soviet-led invasion. Meanwhile the Soviet hospitalities being extended to those Party leaders still in the Crimea was continued on Wednesday aboard the battleship Leningrad.

Mr. Brezhnev, the Soviet Party leader, and Marshal Grechko, the Soviet Defence Minister, invited them to watch warships firing missiles across the Black Sea.

President Ceausescu, it is now understood, was not invited to join the hush-hush holiday in the Crimea. The Romanian view is that the Comecon meeting of heads of Government in Bucharest last week was enough to clarify collective thinking on a number of topical issues.

THE COMMON MARKET

Stirring up the Eurocrats

By Richard Norton-Taylor
IT IS RARE for the policies and structure of the Common Market to be opposed by the governments of the Six, let alone by a member of the Brussels Commission itself. The comprehensive criticism of the way the Common Market is now run made in two newspaper articles by Professor Ralf Dahrendorf, Commissioner responsible for external relations, has therefore touched off a debate which promises to last for some time.

Under the pseudonym of "Wieland Europa" last month, Professor Dahrendorf wrote two articles in the German weekly "Die Zeit". Entitled "A new Europe" the articles raised a whole series of questions about what he calls "The First Europe," constructed largely by bureaucrats inspired by the Treaty of Rome.

Empty shell
Dr. Dahrendorf did not mince his words. "Strictly speaking," he wrote, "there has been no common agricultural market, no common agricultural fund, no common agricultural price decisions which are only slightly effective and which have the external effect of distorting trade and the internal one of adjusting incomes. But they do not amount to a common agricultural market."

Of the Coal and Steel Community he wrote: "Caught between special national interests and general new developments in the production of energy and of steel it has quickly lost significance."

Dahrendorf continues, "has been a empty shell," chiefly because of the clash of interests between France, the Community's only nuclear power, and her five partners.

He has strong words—though words which many of his colleagues would like to have had the audacity to write—on the European Parliament. "A democratic body only feel shame when he sees adult and, in their own countries, properly elected Members of Parliament playing out the farce that they have to perform ten times a year, for a week at a time in Strasbourg or Luxembourg." He makes the obvious point that the European Parliament is forbidden to take any decisions.

Perhaps above all, Dr. Dahrendorf wanted to point out the dangers of Europe becoming ever more bureaucratic and more illiberal. "The First Europe," he says, "is not only an illogical but an illiberal and bureaucratic Europe."

He attacks what he called the "Bureaucratic Leviathan" of the Commission, out to harmonise everything more or less for the sake of it. Eurocrats go their own, unimaginable way. "The illogical route towards Europe," says Dr.

France may hold up SDR allocation for 1972

By Paul Lewis
PARIS, August 3.
THE FRENCH GOVERNMENT may propose deferring next year's allocation of IMF special drawing rights until 1973, at the forthcoming meeting of the Fund in Washington in September.

This is understood to be one of the ideas under consideration by the Finance Minister, M. Valéry Giscard d'Estaing, following his claim last week that the projected creation of another \$3,000m. worth of SDRs next January could no longer be justified.

In the French view, deferment would preserve the principle of the SDR Scheme, since without another distribution of the new reserve units, which could only be inflationary at a time when the U.S. is still in deficit and world trade expanding at unprecedented rates.

In a Press speech here last week, the French Minister said that the next year's SDRs would not "correspond to the needs of the International Monetary System" and went on to suggest that this point of view was likely to be shared by many of France's Common Market partners. It is thus possible that the French may try to get Community agreement on deferring the 1972 issue when Common Market Finance Ministers meet here on September 13 and that this could become a new element in the French attitude in the dollar and exchange rate reform which will be at the centre of discussion at this year's meeting of the Fund.

Although in the end the French went along grudgingly with the SDR scheme, they have never been enthusiastic supporters and the Finance Minister has already criticised the habit of planning allocations for three years in advance. At last year's IMF meeting in Copenhagen he suggested that a future creation on a yearly basis in the light of the U.S. deficit, while at this year's ministerial meeting of the OECD both the German and

Portuguese police hold journalist leader

By Our Own Correspondent
LISBON, August 3.
PORTUGUESE political police have arrested Antonio Dos Santos, secretary of the Union of Journalists, it was disclosed in Lisbon today.

No reason was given for the detention, according to a statement by the union, which has sent a strongly-worded protest cable to the Prime Minister, Dr. Marcello Caetano. Sr. Dos Santos, aged 39, is the second prominent labour leader to be detained in what appears to be a crackdown on the union movement.

Riot squads

On June 30, Sr. Daniel Cabrita, leader of the National Union of Bank Employees, was taken into custody and has been held since without charges being brought against him of access to legal advice or medical aid. This detention has sparked off several violent demonstrations by bank clerks in Lisbon, who have clashed with riot squads.

The offices of the National Union of Bank Employees have also been closed on ministerial order.

Government officials could give no reason today for the detention of Sr. Dos Santos, to its message to the Prime Minister, the union pointed out that he is a key figure in current labour centrist negotiations with Portuguese and foreign news agencies and that his detention could affect these.

News of Sr. Dos Santos' detention came as the Portuguese National Assembly (Parliament), sitting in extraordinary session, gave final approval to the Government Bill to end press censorship in Portugal as it has been known for the past 40 years and replace it with other, stringent checks and balances to safeguard the national interest.

In terms of the legislation responsibility for ensuring the "order" of the press is moved from the censors to the newspapers themselves, which will have to observe strict rules on what is fit to print. Transgression of these rules will lead to severe penalties which may include imprisonment for editors but also individual journalists.

Officials insist there is no connection between the arrest of Sr. Dos Santos and the passing of the Press Law. Observers believe the detention of the union secretary is rather the result of a move by the Government to curb the influence of the union movement. This millenary has been labelled subversive, and attempts made to link it with allegedly "communist infiltration."

U.S. presses to fly into Dublin

By Dominick J. Coyle
DUBLIN, August 3.
THE U.S. Government is continuing to press its case that at least one American Airline, either Pan American or TWA, should be permitted to fly into Dublin. There are to be formal talks in Washington on Monday on the air transport agreement between the two countries.

American carriers are now limited to using Shannon airport, and both Pan Am and TWA have suggested that permission to fly into the capital would result in an immediate and significant increase in passenger landings here. This argument has a particularly strong appeal right now in the middle of a far from good tourist season, partly aggravated by the troubles in Northern Ireland, but the Irish Government intends to try to maintain the status quo.

The Government's case is twofold: permission for U.S. carriers to use Dublin would inevitably eat into the present business of Aer Lingus-Irish, the national carrier, while at the same time diverting tourist traffic away from Ireland's mid-western region—where the State has made a very considerable investment centred on the Shannon free airport complex.

The issue was raised directly with the Prime Minister, Mr. Lynch, earlier this year during a visit here by Mr. Maurice Stans, the U.S. Secretary of Commerce. Mr. Stans left the impression at that time that a concession on the question of

Mild German shake-out

By Malcolm Rutherford
BUNN, August 3.
SIGNS of a mild shake-out by German industry increased in July when the number of unemployed rose by 6,700. Nearly 40 per cent. of the rise was accounted for by white-collar workers. The easing of the labour situation was also reflected by a fall of 20,000 in the number of vacant jobs, in spite of demand for workers being often at its peak at this time of year.

But the overall unemployment figure is still negligible at around 142,000, or 0.7 per cent. of the labour force, up from 0.6 per cent. in June and from 0.5 per cent. in July last year. The number of vacancies is still more than 700,000.

The demand for more foreign workers, though falling, is still high. Although there is much talk of short time, the registered number of short-time workers last month was only a little over 35,000.

Irresponsible

In what he admits privately as more or less an attempt to lose a few arguments in the air, Dr. Dahrendorf suggests that the Commission—now of nine members and to be increased to 14 in the event of enlargement—should be reduced to a mere three. "National proportions, and the careful balancing of 14 or 25 people from the member states, can then be left to the next level down, to a general directorate."

He stresses the vital functions of the Commission as the proposer, the guardian of the Rome Treaty, the mediator, and the manager of day-to-day business—but he says that "its character as a future Government-in-waiting" must disappear.

He also suggests that the French proposal for Ministers

Orthodox

Apart from the obvious implication that some existing officials—mainly in the higher ranks—will be retired, there is the traditional bureaucratic reaction to any change in the 13-year-old organisation. The point is not that the rather formal French-oriented structure and approach of the Commission will be threatened by the more pragmatic British and Scandinavian une. On top of this, Signor Malafatti's fears about diluting the Common Market institutions, are also reflected throughout the Commission. In Brussels, it is generally assumed—rightly or wrongly—but the idea of Ministers for Europe and a tendency towards an inter-governmental structure will be more attractive to Britain than the orthodox view of the independent Commission as the nucleus of a European Government. Dr. Dahrendorf's articles have stimulated all these fears.



Takeda Chemical Industries, Ltd.

武田薬品工業株式会社

FINANCIAL SUMMARY FOR THE YEAR ENDED 31st MARCH, 1971

	Yen Millions		Yen Millions
Land, buildings, machinery and equipment, less depreciation	43,317	Issued capital of 347,248,241 shares	17,362
Investments and advances	24,999	Capital and revenue reserves	83,724
			101,086
Current assets	125,648	Net sales	171,222
Less current liabilities	69,538	Operating profit	28,815
Other assets	8,361	Interest, dividends and other income less interest and other expenses	1,770
	132,787		28,585
Less employee severance and death benefits	16,403	Provision for income taxes	13,393
Long-term debt	15,298	Net earnings	15,192
	101,086		

Semi annual cash dividends: 6 months to 30th September, 1970, ¥4.25 per share - ¥1,472 million; 6 months to 31st March, 1971, ¥4.25 per share - ¥1,472 million. This last dividend is not reflected in the above figures.

Copies of the Annual Report are available from Morgan Guaranty Trust Company of New York, 33 Lombard Street, London, E.C.3.

MANCHESTER LINERS
CONTAINERSHIPS
bring conveyor belt regularly to shipping
TWICE WEEKLY SAILINGS TO
CANADA & THE U.S. GREAT LAKES

Other Overseas News

IN BRIEF

● **STOCKHOLM**—A spokesman for the North Vietnamese Embassy denied a newspaper report that North Vietnam is planning to release 153 American pilots. U.S. officials also denied taking part in negotiations with the North Vietnamese.

● **AUSTRALIAN** railway workers returned to work at midnight following a conference with the arbitration commission yesterday. The strike had brought railway to a stop in all states except Queensland and Tasmania for two days.

● **THE SOVIET UNION** and China signed an agreement on trade and payments here yesterday. The Soviet news agency Tass reported.

● **SOUTH AFRICAN** Defence Minister, P. Botha, announced yesterday that South Africa was seriously considering the export of arms.

● **INDIA** State Government has asked the Indian Air Force to drop food to villages cut off by monsoon floods along the Ganges river and its tributaries, the Press Trust of India reported yesterday. The Bihar Cabinet has also asked the Central Government for \$13m. in emergency aid.

● **INDIAN** Government has banned all power strikes in West Bengal with immediate effect under the Essential Services Maintenance Act declaring all strikes automatically illegal. The order follows a series of wildcat strikes, go-slows and work-to-rules.

● **PENTAGON** today said China probably had installed for the first time a "few" missiles with a range of 1,000 miles. Depending on where they were placed, they would be capable of hitting targets from Japan to India.

● **JORDAN'S** semi-official newspaper Al Ray issued a warning against any partial peace agreement, based on re-opening the Suez Canal.

Court rules against Ky

SAIGON, August 5. THE SOUTH VIETNAMESE Supreme Court today ruled against Vice-President Nguyen Cao Ky's bid for re-election in the October presidential election. But the preliminary court decision immediately prompted a new threat from General Duong Van "Big" Minh, the only remaining candidate to oppose President Nguyen Van Thieu, to reconsider his application.

Mr. Ky, the court said, did not have certification for 39 of his 101 endorsements from provincial chiefs. A candidate must submit 100 certified signatures and Mr. Ky claimed he handed in a total of 162 names.

BURMA'S RULING PARTY

"Popular" by decree

BY A SPECIAL CORRESPONDENT

WITH congratulations from the Soviet Communist Party and "fraternal" parties all over the world, the nine-year-old Burma Socialist Programme Party has just held its first Congress. Months of sloganeering and an interminable display of organised mass enthusiasm preceded this event and, now that it is over, announcements of ritual celebration have begun. The state-owned press and radio carry daily reports of people who have dredged silted canals, repaired bridges or donated blood to hospitals—all in order to express their "valiant" devotion to the party at the Congress. These manifestations of mass excitement are the more remarkable in that there is actually precious

little for the man in the street to be elated about.

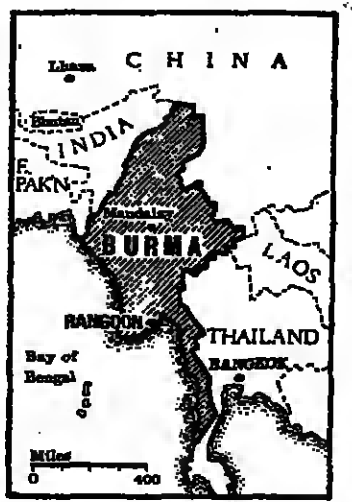
Insurgents

The truth is that Congress or no Congress, Burma is passing through an unusually difficult phase: indeed this is indirectly demonstrated by the political report presented to the Congress by Brigadier San Yu, Secretary of the BSPP Central Organising Committee. Before the "Socialist Revolution" of 1962, the report says, there were only two opposing forces on the Burmese political scene: the Rightist forces fighting for power, and the Leftist forces fighting for power. Since the revolution the conflicting forces have increased to three: the forces of the "Burmese way to socialism" led by General Ne Win's Revolutionary Council; the Rightist forces (now ousted from power); and the still struggling Leftist underground.

The report gives an assurance that the Government's "Rightist" and "Leftist" enemies no longer offer a serious threat, claiming that the rebels are not only being "mauled" by Government troops, but also "disintegrating as a result of internal feuds." Information about insurgent activity suggests, however, that the rebels are still active and constitute a serious security problem, particularly in rural areas.

In the economic field, Burma's predicament is disastrous. The report itself makes no attempt to minimise matters on this question. It admits that prices are rising "almost daily" because of falling production and other factors. Imports have had a devastating effect on the economy. Burma's principal source of foreign exchange have fallen from 1.1m. tons in 1966-67 to only 400,000 tons in 1970-71. Exports have had a devastating effect on the economy. Burma's principal source of foreign exchange have fallen from 1.1m. tons in 1966-67 to only 400,000 tons in 1970-71. Exports have had a devastating effect on the economy. Burma's principal source of foreign exchange have fallen from 1.1m. tons in 1966-67 to only 400,000 tons in 1970-71. Exports have had a devastating effect on the economy.

have been persistently drumming in the idea that the emergence of a "People's Party" represents a "turning point" in Burma's history, for the simple reason that it will herald the return of political power to the people. On closer inspection what has happened is



a little less simple, and a little less dramatic.

The emergence of a "People's Party" means, according to BSPP theoreticians, the replacement, at all levels, of party cadres nominated by General Ne Win's Revolutionary Council with new leaders elected by party members through what is described as "inner-party democracy." This process has already been completed throughout the lower echelons of the party. The much advertised task of the Congress was to perform the final act of conversion, by electing party members to the top organs of the BSPP.

The Congress, attended by 825 delegates including General Ne Win and members of his then 9-year-old Revolutionary Council, elected 150 members to the BSPP Central Committee, democratic act whose significance appears slightly modified by the fact 120 were members of the Revolutionary Council. The Central Committee (all but one member) to the Party Politbureau, with General Ne Win as Chairman and Brigadier San Yu as Secretary.

The process of "conversion" was completed by the election of members to such organs as

the Party Inspection Committee, the Party Secretariat and the Party Control Committee. The whole operation was placed in an appropriate ideological context by General Ne Win who spoke at the opening session of the Congress, returning to his rightful owners. But in spite of General Ne Win's uplifting oratory the impression persists that ideology was not the main motive which impelled the General to take so much trouble in transforming the BSPP into a People's Party.

General Ne Win's other, and more important motive, appears to have been to give the BSPP a monopoly position within the framework of Burma's new "revolutionary" constitution. The constitution, admittedly, is still in preparation, but when it does appear it is expected to follow orthodox Leninist lines, which means that it will provide for the existence of a single political party to serve as the "vanguard of the people."

Up to now it might have been enough to dispute the BSPP's legitimacy for the time being—there are, after all, other movements in Burma which enjoy popular support. From now on the party will at least be able to claim that it has the formal credentials for the job. By the same stroke General Ne Win will of course hope to gain added respectability for his regime in the eyes of Communist governments which have not always looked kindly on Burma's "indigenous socialism." One country whose reaction will be studied with special interest is China—to which General Ne Win is shortly to pay an official visit.

Legitimacy

Apart from its constitutional achievements, the Congress has served Ne Win well. It has helped him acquire a mantle of legitimacy for his 9-year-old Revolutionary Council, for the first act of the new BSPP Central Committee was to pass a formal resolution setting up a Revolutionary Council with General Ne Win as Chairman. Last but not least the Congress, by adopting what has become known as the BSPP directive on economic plans, has given the General a "People's Mandate" to press ahead with his socialist economic policies. The policies may not work—they have certainly not been noticeably successful in the past—but at least from now on they will be "popular."

Sudan stresses importance of ties with China

BY OUR OWN CORRESPONDENT

CAIRO, August 5.

RADIO Umdurman announced last night that Sudanese President Jafar al Nimairi has sent "an important message" to Chinese leaders Mao Tse-tung and Chou En-lai, and Khartoum newspapers reported that a high Sudanese delegation will visit China soon for discussions on strengthening of relations between the two countries.

At a Press conference yesterday, one day after his appointment, Sudan's Foreign Minister, Mansour Khalid, revealed that at the time of the July 19 coup the Chinese-Sudan friendship society had organised demonstrations in Khartoum in support of the Nimairi regime.

Khalid said Nimairi had received the Chinese ambassador yesterday to express his own and his Government's gratitude for China's support. The Minister described China as a friend of Sudan, linked with it by excellent relations and close co-operation. He referred specifically to an economic and technical co-operation agreement providing for \$45m. of Chinese aid. As far as is known, none of this aid has been utilised.

At the Press conference, Khalid, who replaced the pro-Nimairi Communist Farouk Ahmed on Tuesday, said that Sudan's foreign relations were being re-examined, but he stressed that Sudan did not want further deterioration in relations with the Soviet Union.

He also said that the break in relations with the U.S., dating back to the Arab-Israeli war, would continue, but he believed that economic and cultural links would develop. Relations with Britain, France, Italy and other European countries were excellent, Khalid said. The Sudanese ambassadors in London, Rome and Belgrade had been called home only for consultations.

Cairo observers do not see yesterday's announcement as marking a Sudanese rapprochement with Peking at Moscow's expense.

The Nimairi Government, they believe, wishes to demonstrate its independence to the Soviet Union and is not averse to hinting that it has other powerful friends. But Nimairi will now try to follow an Arab nationalist policy similar to Egypt's and will resolve his differences with Moscow over the failed coup and the execution of the Communist leaders, according to observers here.

Sisco fails to bridge gap

BY OUR OWN CORRESPONDENT

TEL AVIV, August 5.

Mr. Joseph Sisco, U.S. Assistant Secretary of State, has been unable to bridge the gap separating the positions of Israel and Egypt over a partial settlement leading to the reopening of the Suez Canal.

At a Press conference this evening, Mr. Sisco said that he expected no decisive breakthrough and that "none was achieved." He added, however, that while there were differences between the two sides, still to be resolved, he believes that a practical basis for further progress on an interim Suez Canal agreement can still be achieved.

Mr. Sisco, who departs for Washington to-morrow, added that such an interim settlement continues to be the best way to ensure that relative quiet will continue.

An authoritative Israeli source claimed here this evening that the failure of Mr. Sisco's mission to Israel centred around the problem of what kind of Egyptian presence should be allowed on the east bank afterwards. While Israel is ready to allow the crossing of Egyptian civilian police, President Sadat and his Government insist on a crossing by regular forces who would be entrusted with the protection of the technical teams working on the clearance of the Suez Canal.

China backs Yahya Khan

BY OUR OWN CORRESPONDENT

KARACHI, August 5.

CHINESE Premier Chou En-lai has sent a letter to President Yahya Khan assuring the full support of his country to Pakistan in the case of aggression by India, according to reports published here quoting diplomatic sources. Mr. Chou expressed satisfaction over the growing friendship between the two countries.

What critics will regret is the King's choice of ministers, not known yet but party leaders say "the door is open."

The King said the new Government, to be appointed soon for a "transitional" term of office, would be required to carry out a programme of reform in education, administration, justice and the economy. Administrative and judicial reforms will be mainly designed to eliminate corrupt practices and the corruption in education the plan is to fit the national needs, useful employment instead of academic glory. In the economic field attention will centre on agricultural

reform. The King's reforms also appear to coincide with some of the main objectives generally attributed by political observers here to the leaders of the July 10 coup, who are reported to have been outraged by corruption and administrative inefficiency.

General Mohamed Oufkir, the Minister of the Interior, who was dismissed after the coup, is now widely rumoured to be in disgrace. His fate is unknown, but it is thought unlikely that General Oufkir will return to Government.

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Export News

In brief:

Blades

Personna International (U.K.) has made a better deal with Czechoslovakia, involving between 3m. and 5m. razor blades—against Czech machine tools. Personna (part of the Philip Morris Organisation), and claiming to be the third in the U.K. razor blade market, refused to disclose the value of the deal. It says, however, that it has had contracts from Bulgaria, Roumania and Yugoslavia already.

Heating

Sealed Motor Construction, of Bridgwater, Somerset, makers of central heating circulators, has formed a sales company in Hamburg, West Germany.

Incinerator

John Thimley, of Harrogate, has supplied a chemical waste incineration system to a chemical works in Schwedt, East Germany, worth £26,120 and claimed to be the first of its kind purchased by an Eastern European country.

Ploughs

SKS, of Whitechurch—a member of the Owen Organisation—has secured orders in excess of £10,000 from Nigeria for disc ploughs, disc harrows, fertiliser distributors and trailers.

Bodies

Balkmobile, of Sudbury, has signed a contract, worth over £25,000, to supply 14 vehicle bodies and equipment in pld condition for assembly in Czechoslovakia.

Wheels

The aviation division of Dunlop, Coventry, has received an order from Aeronautes Mocchi, of Varese, Italy, for prototype wheels and brakes for the Aeromacchi MB326K single seater strike aircraft which is being developed from the successful trainer version.

Rights

Gower Press has sold the sole distribution rights to the U.S. and Canada edition of Who's Who in Finance to R. R. Bowker, of New York. This will be the first published source of geographical reference to the British financial community as a whole. Publication will be in January, 1972. The work will be published in the U.S. as Who's Who in British Finance. Large sales are confidently predicted. Special distribution arrangements for other countries, with close trading and financial links with Britain are being finalised.

Pottery

Wood and Sons, the Stoke-on-Trent pottery manufacturer, has won an order from Japan worth £55,000. The order, for complete ranges of dinner, tea and coffee ware in two patterns.

Frozen fish and chips parties in Addis Ababa

FINANCIAL TIMES REPORTER

IN SPITE OF considerable climatic and transport difficulties, Unilever Export, together with local agents, has managed to launch a successful new market for frozen foods in the Ethiopian capital, Addis Ababa. To enable consumers for the

previously limited to buying mainly locally produced food, as Unilever puts it. And "shipments have trebled since the launch of the foods last November."

The consignments from Birds Eye and Walls factories are



First time to buy branded frozen foods in the 8,500-foot high city, a refrigerated van service has been introduced, covering 520 miles of dusty, twisting roads from the coast—where temperatures top 100 degrees F. Also, a refrigeration store was built in Addis. As a result, a complete range of Birds Eye and Walls frozen foods is now available to a "cosmopolitan" population

shipped on a two-month refrigerated voyage to the Red Sea port of Assab. From there the overland journey involves a fleet of three refrigerated vans, each with a pump of three and a half day drive across desert and mountain to Addis. The crossing of a salt flat desert, takes place by night to avoid the worst of the scorching sun and temperatures as high as 130 degrees. On

arrival the food goes into the 4,500 cubic foot cold store before distribution through local agents, A. Besse and Co. (Ethiopia), to all the principal retail outlets, who had to be persuaded to buy freeze cabinets before the service could start.

In addition to the domestic demand, a new catering food service for the hotels and restaurants "has created valuable orders for such items as smoked salmon, poached shrimp, and, for the British community, kipper. Customers for frozen cream, sponge cakes are to be found in the Emperor's household. There is a special interest in frozen fish lines, as otherwise the local lake fish, augmented by often unappetising sea fish brought from the coast, is all that is available," says Unilever.

Addis, with a native population of over 600,000, has also become home to 20,000 expatriates and families—mostly Italians, Greeks, British and Americans engaged in commerce, education or as members of diplomatic missions. It is these who form the majority of present customers, while Ethiopians and other Africans, who have lived in Europe or America, as the nucleus of shoppers for frozen foods amongst the indigenous population.

One of the social vogue started by the British since supplies began arriving is the fish and chip party. Unilever Export men living in Addis report that it is fashionable for guests to be served with the helpings of frozen fish and chips. And outlets for branded ice cream, which "is something new to the Ethiopian scene," are now being developed amongst local people with the aid of specially imported consumer sales vehicle.

Sales to Korea...

By Our Own Correspondent

SEOUL, August 5. THE SOUTH KOREAN Government yesterday approved the purchase of ultra high voltage power transmission and substation equipment worth \$15.9m. on 12½ years credit for the Korea Electric Company from the U.K. According to Korea Electric, Balfour Beatty of London is to supply cables and tower materials and English Electric will supply substation equipment.

Credits are repayable over 9½ years after a grace period of three years, with the credits bearing an annual interest of 5.5 per cent. The construction work is planned to start in 1973.

.. and to Singapore

British exports to Singapore totalled \$526,4m. during the first five months of this year, which was 24 per cent. higher than for the same period last year. Despite this jump, British imports constituted 7.6 per cent. of all imports into Singapore, equivalent to the average last year.

£1.5m. contract for Dunlop

A CONTRACT WORTH ABOUT £1.5m. for the supply of floating oil hose for the tanker terminals of the proposed Suez oil pipeline from the Gulf of Suez to the Mediterranean has been won by the oil and marine division of the hose group of Dunlop. The contract is part of a total scheme—worth about £117m.—put forward by an international consortium.

The Suez scheme involves a pipeline some 200 miles long from Ain-Sokna to a point on the Mediterranean coast about 18 miles west of Alexandria. Super-tankers of 300,000 tons will discharge, via Dunlop "Selfite" integral floating hose, into a tank farm at the southern end of the pipeline, and the oil will then be pumped through the line to the northern terminal for re-loading into smaller tankers for shipment to other European ports.

Dunlop "selfite" integral floating hose is made of Grimsby in 40 feet lengths with internal diameters of up to 30 inches. It is already in use with major oil companies throughout the world but, with a potential throughput of 80m. tons a year, the Suez floating hose installation will be the largest of its kind in the world.

Leipzig Fair

BRITISH COMPANIES in chemicals, tobacco, toys, musical instruments and other fields will show their products at the "highest-ever" Leipzig Autumn Fair (September 5 to 12). Foreign participation is expected to be 10 per cent. up on last year, with some 55 countries represented.

Newcomers to the Fair from U.K. will include Eaton Yale and Towse, of Manchester (vehicle accessories) and G. D. Seale, of High Wycombe, with a selection of medical and laboratory equipment.

Japan's space, meanwhile, will be roughly five times greater than last September, half of it being devoted to chemical plants. The companies Mitsubishi, Sumitomo, Nichimen, Nissei Iwai, Teijin, Marubeni and others will again be there, and Honda vehicles will be making their debut in the German Democratic Republic.

Bass Charrington has opened its eighth pub in Switzerland this year when the British Ambassador, Mr. E. A. Midgeley, called the "first pint" at it. Mr. Pickwick, in Bern. They are other Mr. Pickwick pub in Bienne, Geneva, Lausanne, Lucerne, Neuchâtel and Zürich.

SPORT: CRICKET... YACHTING

England struggle on easy wicket

BY TREVOR BAILEY

ON THE FIRST day of the second Test, England struggled to a slim 219-7, though a smaller total seemed probable at one time. With the aid of further showers during the match, to live up to the pitch, this could be sufficient, especially if the rain continues to wag tomorrow. But it cannot be said to represent a good score on this easy-paced wicket.

Having won the toss on a slightly green pitch with a somewhat overcast sky, Illingworth thought long and hard before eventually electing to bat. Although the English pace men would have troubled the Indian batsmen, the England captain probably believed that the limited over attack was less unlikely to worry the batsmen even if the conditions suited them.

The way Luckhurst and new-comer Jameson negotiated the early overs certainly upheld this view. Neither looked in any

trouble against Abid Ali who, to swing the ball early and gently away, or the even slower left-arm, Solkar. There was, in fact, an air of unreality at this stage and I was beginning to wonder when the spinners, the bowlers to even the Indian side, were coming on when Abid Ali claimed his first victim, Jameson, who had been hitting pleasantly, receive a tempting long hop outside the off stump and at it hard the back foot straight into the hands of a grateful cover for 15.

In the same over and the same score, Abid Ali had Edrich caught behind. This totally unexpected double success inspired the bowlers to even greater efforts. Fletcher managed to get off the mark but was then out by attempting to hit a half-volley off his back foot wide of mid-on, the most judicious of strokes. England would have been in worse trouble if Luckhurst had not been dropped at leg slip one run later.

The Kent opener and the dependable D'Oliveira set about staging a recovery which ended when the latter was caught driving at a wide outswinger and four wickets were down with only 41 on the board.

England 219-7 (Luckhurst 78)

But truth to this was due more to some indifferent batting than to great bowling. After the interval Luckhurst and Knott sensibly set about repairing the pre-lunch disasters. They began slowly, but gradually increased their tempo as Wade's experienced with various combinations of his four principal bowlers without achieving the desired result until the Kent pair had put on 75 in valuable runs. When Knott reached 42 he was bowled

OLD TRAFFORD, August 5.

through the gate Venkataraghavan. Illingworth started quietly while Luckhurst who completed his half century, was playing with increasing confidence.

They were still together at 40 and England at 161-5 were beginning to look as if they might reach a respectable total.

In the truncated last session England lost two more wickets before the rain came. Luckhurst, who seemed destined for a century, went down the top and hit Bedi for four but, in a repeat performance, he deceived in the night and came in the covers for 78. Cum played several handsome shots before he was caught and bowled from a firm-footed drive, with the total 187-7.

Illingworth, with some assistance from Lever, took the second 50 before a 5.35 rain fall and play was held up until 6.15. At this stage the England captain was 25 not out and had once again demonstrated his fighting qualities in a time of crisis.

Quailo III wins N.Y.Y.C. Challenge Cup

BY ALEC BEILBY

DONALD PARR'S Quailo III won the New York Yacht Club Challenge Cup at Cowes yesterday by a mere 29 seconds on a headwind from the Australian Admiral's Cup team yacht Raga.

But, as so often happens in inshore handicap races, it was the boat-for-boat struggle that caused more interest and excitement than the actual handicap result, calculated when the race is over. Less than three minutes separated the first six yachts.

For the second successive day, the wind, blowing a near gale force from the west, provided the sort of racing notable by its absence from so much of this season. Fear and crews were tested to their limit—some even further.



The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOEYERS

HEATING

Programmes oil and gas burners

A 7 per cent. increase in gas prices this year and a forecast doubling of consumption over the next five years are very likely to have prompted Northwell's residential division, of Charles Square, Bournemouth, to enter the oil and gas burner programming market, they say, is now approaching "right figures" sterling as Europe.

On their experience in North America, the company has introduced its first product in this field in the R4341 programmer, designed for oil, gas or combination burners of up to 100 Btu/h capacity. The R4341 has been designed at Northwell's engineering centre in North America, the company has introduced its first product in this field in the R4341 programmer, designed for oil, gas or combination burners of up to 100 Btu/h capacity. The R4341 has been designed at Northwell's engineering centre in North America, the company has introduced its first product in this field in the R4341 programmer, designed for oil, gas or combination burners of up to 100 Btu/h capacity.

Comfort balance controller

COMFORT BALANCE seems to be the latest term to describe the more complex aspects of domestic heating controllers. Drayton Controls, of West Drayton, Middlesex, is now selling the Theta Autotherm, which incorporates an outside temperature sensor, a time clock, and an eight programme push button control panel, plus two "comfort balance" adjusters.

The maker states that by using these adjusters the user can "tune" his heating system to his own comfort requirements and to the particular structure and construction of his home. Claimed advantages for the installing heating engineer are that the controller can be used with most heating systems providing hot water and central heating, and that the "comfort balance" device virtually eliminates non-profitable post installation calls because the customer makes his own adjustments. Net trade price is £43.56.

Radiant heating saves fuel

OPERATING costs of a new gas-fired radiant heating system, developed by Phoenix Burners, with a claimed efficiency of 92 per cent., are said to be 40 to 50 per cent. below conventional heating systems.

as it is called, is suitable for offices, schools and showrooms, where overhead gas burners, each with an input of 40,000 Btu/hr, are connected at 20-30 feet centres, to standard 2½ inch steel pipe attached to the ceiling. Metal reflectors direct the infra-red rays down on to the area to be heated. These reflectors can be either two feet wide for recessing into the ceiling or one foot wide for installing below ceiling level. In both cases decorative aluminium grilles cover the pipe system.

This method of heating is compatible with air-conditioning as it heats objects and not the air between them. There is no need for a chimney, the company maintains, as the high efficiency allows for satisfactory and harmless self-ventilation.

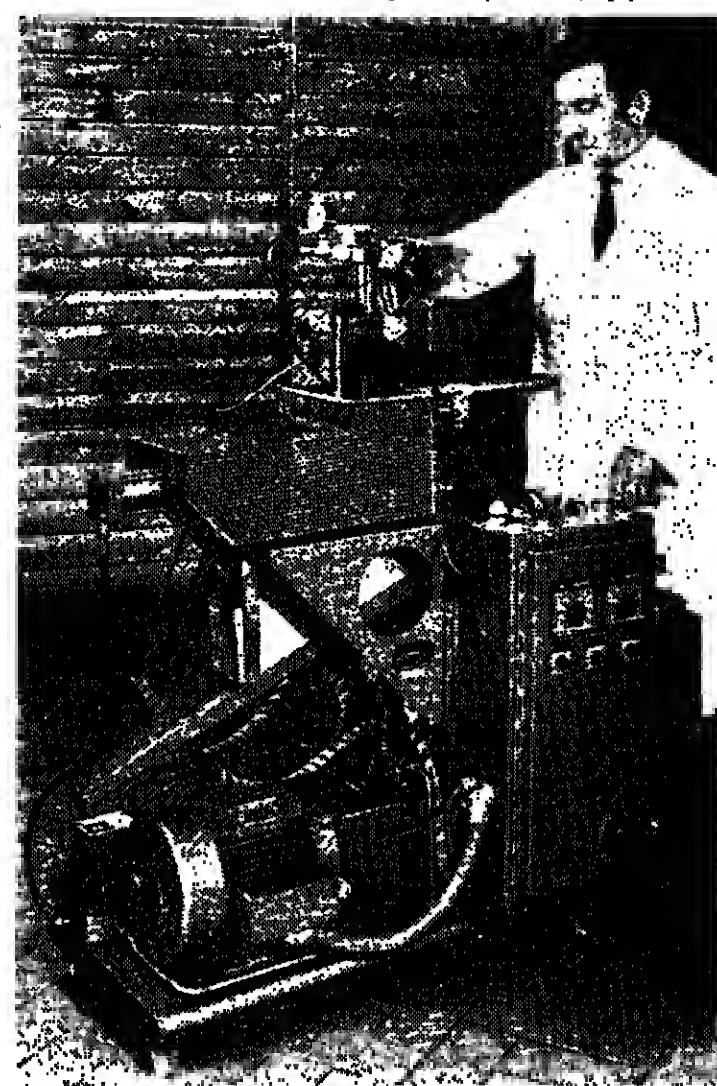
The system, an adaptation of the Nor-Ray-Vac system used extensively in heating industrial buildings, is approved by the Gas Council. Complete installation costs are around 30p per square foot. Phoenix Burners is at 2, Valentine Place, London SE1 8QH.

Economic combustion unit

OFFERED for the first time in the U.K. is the high intensity S.A.S. combustion unit manufactured by Socaltra Paris. The combustor is available in capacities from 2,000 to 80,000 Btu./hour, ranging in price from £1,500 to £10,000. Widely installed in Europe in all types of furnaces, incinerators, kilns, boilers, etc., it is claimed that major economies in capital and operating expenditure can be achieved. The maker states that the combustor will pay for its installation costs within 24 months of operation.

air mixture; total combustion; operational safety; operable under any permutation of application, environment, or fuel. Used as an incinerator the combustor reduces pollution problems as it can disperse almost any toxic waste liquids of low calorific value in a liquid/fuel ratio of more than 4 to 1. U.K. agents are European Development and Construction Co., Victoria Street, London, SW1.

PLASTICS



This is the latest addition to the range of moulding machinery made for the plastics and electronics industries by Daniels Hamilton of Bath Road, Stroud, Gloucestershire. Called the Unsetter, it is a rapid-cycling plunger transfer machine for producing miniature thermoplastic mouldings to close tolerances. The machine gives shot capacities up to 3 grams for phenolic, urea, melamine and other plastics and up to 6 grams for epoxy and alkyd materials. Provision is made for the inclusion of metal inserts if required.

Quieter plastics grinder

GRANULATORS for the plastics industry which are claimed to reduce the noise level of this sort of process on most materials to below 85 decibels have been introduced here by Denis Leader, of Dover, Kent, the exclusive U.K. agent for AB Jobansson Chockfabrik of Sweden. Three of the more powerful of the four units are equipped with four rotor blades instead of two to provide greater cutting efficiency.

Processing rates of up to 1,100 lb per hour are claimed, depending on the material and size of machine. Engine power ranges from 2 to 15 hp and eight

PACKAGING

Outlook for next year promising

PROJECTED figures for 1971 for the packaging industry reflect the state of U.K. production generally. Compared with 1970, levels of performance will probably prove to be worse rather than better, although the last quarter may show an upturn because of the reflationary measures of mid-July.

Demand for jute sacks, wooden containers, paper bags, sacks and carrier bags will continue to fall. Tinsplate should show a recovery while demand for steel drums, cellulose film, aluminium foil and paperboard boxes an cartons will probably be fairly static.

Production of plastic materials, aerosols, glass containers, fibreglass packing cases and closures can be expected to show an increase compared with 1970, which may be of the order of 15 per cent., 14 per cent., 21 per cent.

3-4 per cent. and 4 per cent. respectively.

Prices can be expected to continue to rise though possibly not to the extent experienced in 1970. The outlook for 1972 is more promising, and the bulk of the packaging industry should resume its upward trend.

PRODUCTS

Measuring projector

A MEASURING projector, suitable for checking and measuring small and medium-sized components in workshops, inspection rooms and laboratories, has been launched in the U.K. by Carl Zeiss Jena.

Called the MP 320, it conveys

maximum information in a very short time, says Zeiss, with components projected at an enlarged scale and measured contact-free. A feature of the projector is its double-image facility, which can be used with all magnifications with or without red and green filters.

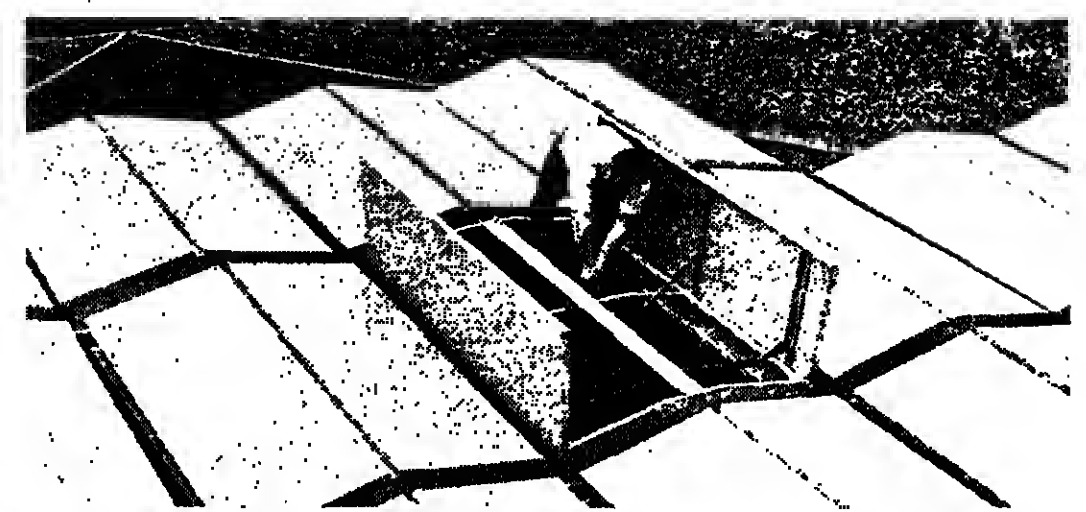
The projector can use horizontal or vertical silhouette or surface illumination as well as combinations of them. High-intensity quartz iodine projection lamps give excellent brightness, says the company, which can be improved near the edge of the screen by placing a Fresnel lens on top. In addition to the method of comparison with master layouts, the MP 320 permits measurements with a cross stage or with a glass scale applied to the screen, or both. Angle measurements are possible by attaching a circular stage and a rotating screen.

Zeiss claims that image distortion is negligible, with measurement inaccuracy between 0.01 and 0.001 mm, depending on the workpiece and the magnification selected. The possible magnifications are 10x, 20x, 50x and 100x, the objectives being arranged two each on a common nosepiece.

Small tantalum capacitors

A RANGE of miniature polarised solid anode tantalum capacitors designed for use in professional electronic equipment having hybrid or sub-miniature assemblies has been announced by Emphas Microcomponents, of 12, Queens Road, Weybridge, Surrey. The company says that the low cost and small physical size makes these capacitors ideal for assembly on to thin or thick film substrates and as a component in equipment where miniaturisation is essential.

Known as the "Micro-Tan" range, capacitance values are from 0.0047 to 100 microfarads with working voltages from 2 to 35V, and these devices have a polar element housed in a cylindrical metal case with a resin seal at one end. The case is fitted with a polyester insulating sleeve. Leads are tinned nickel 0.02 inches diameter. The temperature ratings are -55 degrees to +85 degrees.



These automatic heat and smoke release ventilator units, part of a contract worth nearly £140,000, are being prepared for delivery to Bass Charrington's new brewery at Runcorn, Lancs. The ventilators, designed by H. H. Robertson

(U.K.) of Ellesmere Port, have fusible links which react automatically when the internal temperature in the building reaches 155 F. Robertson is supplying 236 ventilators for the project, each 7 feet long by 4 feet 9 inches wide and made of Gypsum sheet steel.

METALWORKING

Welding machine control

VIBRATIONAL amplitude at the working face of the welding horn, giving a direct measure of the efficiency of the system, is metered on the control panel of the 500 Sonobond ultrasonic welding machine from Kerry Ultrasonic, Hitchin, Herts. Believed to be a unique feature, the amplitude meter permits the selection of optimum operating conditions, the maker states.

In the intermediate power range (600 watts, nominal frequency 20 kHz), the machine can be bench or floor mounted and will weld a range of similar and dissimilar metals, including 0.030 inch aluminium alloy, 0.040 inch commercially pure aluminium, 0.030 inch copper, 0.045 inch stainless steel and 0.050 inch aluminium wire. Other metals which can be successfully welded include platinum, titanium, niobium, magnesium, gold and nickel.

The equipment is controlled by solid state circuitry, which has reduced its bulk compared with conventional machines. The ultrasonic transducer is of clamped lead-zirconate titanate with a potential electro-acoustic transfer efficiency of 90 per cent.

The unit incorporates an adjustable force pneumatic clamping system, and the weld bead provides an adjustable stroke. The assist support is vertically and horizontally adjustable. Welding tips are interchangeable and a variety of geometries is available. Weld

recovery time is stated to be virtually zero.

Typical applications for the equipment include rolled foil capacitors; cathode-anode tabs to foil wire to wire and wire to lugs in small transformer coils; small bi-metal contacts; lamp filaments and small area lap weld combinations.

only is produced as a metal template, by milling a series of slots in the metal to correspond with the position of the cutting and creasing rules.

It is claimed that the milling machine, either hand-operated or M/C controlled, is accurate to 0.001 inch across, cutting panel sizes. The template is used in control a 48,000 r.p.m. die roller which cuts the die stations in an integral skin foamed rigid polyurethane lense board into which the cutting rules are fitted.

Arden Dies, of Cross Lane, Marple, Cheshire, has adopted a different approach—one image

Welding in Russia

RECENTLY published figures state that in the USSR the use of welding in construction work is saving more than 600,000 tonnes of metal and 15m roubles each year. In the penultimate year of the five-year period recently ended the output of welded fabrications in Russia rose to 27,400 tonnes, 7.4 per cent. in industry and 25.6 per cent. in building.

PROCESSES

Waterless paper-making

THERE are signs in a number of quarters of concern about the use of water in the paper-making industries and the impact on the environment. This week a booklet has been published by the British Paper and Mill Makers' Association, in which the industry is urged to do its best to conserve water.

The booklet points out, of course, that this has to be paid for, but it also says that, in the long run, the cost of water is likely to rise. It also points out that the use of water in the paper-making process is a major factor in the cost of production.

moved so that only individual fibres move to the forming areas. The air moves through a continuous porous screen, depositing fibres in a layer. For most applications it is necessary to add bonding agents, either to the fibres prior to forming, or to the formed web of paper.

Paper quality is good according to the American research organisation. The fibre unit produced is produced, a much higher percentage of short fibres or filler particles can be handled compared to conventional processes, and the absence of water also means a softer paper that may be more acceptable in some applications.

It also turns out that the economic size for dry-formed paper making units is considerably smaller than for comparable wet forming equipment. Furthermore, plants would not have to be sited in areas where large amounts of water are available. Dry forming also opens up the prospect of greater utilization of secondary fibre. Conventional paper mills integrated with wood pulp manufacture are often distant from major sources of recovered fibre, and it is seldom economic to collect enough waste paper to supply the needs of a large wet-forming mill. With dry forming units placed elsewhere however, the position might be quite different.

A number of technical

problems have yet to be resolved with dry forming. In particular, methods are needed for the recovery and de-linking of the fibres from waste paper.

Bonding of suit linings

FOR YEARS interlinings of men's suitings have been applied to the component parts by bonding with synthetic adhesives. This required the use of heat and pressure in order for the layers to adhere properly.

A joint development by Intertherm and Montague Burton has resulted in a novel technique for bonding which is based on a heated platen process for which the glue line temperature is achieved by the thermal transmission of the fabric.

By the use of dielectric heating methods this adhesive layer can be heated regardless of the thickness of the laminate with the result that the time necessary is much reduced.

The present pieces of material are placed on a conveyor which carries them over the special electrode system. As the laminate moves into the radio frequency field the adhesive begins to absorb the RF energy and melt.

At this point the laminate moves between nip rollers to complete the heat and pressure cycle. Operating speeds of up to 240 garments of normal size per hour are possible on each side of the twin conveyor.

Advantages of the system include improved operational environment because of the comparative absence of heat and better retention of the cloth's natural characteristics with a reduction of glossing and impressions in the fabric.

The unit is designed for all materials in general use and offers the additional benefit of needing no heat-up time. It has been designed around two 5kW H.F. generators and is said to

use less power than conventional systems. Intertherm, a member of the Elphing Group, is at Elmwood Gardens, Brixton, London, S.W.2.

Ultrasonic cleaning plant

COMPACT ultrasonic cleaning equipment developed jointly by ICI and Dawe Instruments, can deal with many of the problems encountered in industry, ranging from lenses to assembled printed circuits.

One of the perennial problems in cleaning of any sort is watching the machine to the cleaning medium, whether it be a simple soap solution or a comprehensive organic solvent. In this case, according to the companies concerned, the design of the equipment, taking into account the characteristics of the solvents which will be used with it, gives the range of application needed with a system that must be sold commercially.

The machine is known as the Ultrasonic Cleanline 53, and has been designed to use ICI's range of P. L. and E Type Arkline solvents. The machine uses a 40kHz Dawe unit as the cleaning generator. Parts are immersed in the cool chemical tank containing the agitated solvent, and are then transferred to a second tank where they are rinsed in the solvent vapour. Thus they emerge both clean and dry.

The Arkline solvents that are to be used are known for their ability to remove many different types of contaminant, and the capacity of the combination is increased for the user by the provision of a distillation unit that ensures the solvent always remains clean.

DATA PROCESSING

Catering for small users is worthwhile

SALES of small computers will develop largely on the ability of companies, both large and small, to appreciate the economic advantages of either replacing an accounting machine or, at the upper end of the scale, having a highly intelligent front end to a substantial mainframe.

This is the opinion of Mr. Leo McAteer, manager of the Automated Business Systems Division of Litton, speaking to the Financial Times yesterday on the expansion of the market for small computers. Many people have seen the expansion of time-sharing systems as a threat to small machines but the evidence, according to Mr. McAteer, points to a dual market—in the small companies which need a good, inexpensive management information system, and among those who see the intelligent terminal, in fact a small computer linked to a central mainframe, as a necessary facility for individual departments.

Like all companies in the field, Litton hopes to make major sales in both areas, but is concentrating largely on establishing a customer base at the moment. This implies service to smaller, first-time customers, although it has already established its machines as useful front ends in the banking and insurance worlds.

Litton is in the fortunate position of having a range of machines that have a storage capacity, on drum, beyond the general comparative size. This in itself is a major factor, but in addition it also gives the user the chance of expanding his applications from normal payroll and accounting applications into more advanced applications. To this end, Litton has a number of packages in hand which will probably be released either late this year or early in 1972. These include programs for scientific applications as

well as a production control package developed in Switzerland, that is now being generalised and is aimed at the manufacturing unit with a work force of between 150 and 200 people.


These applications are in fact only additions to the normal software available, and Mr. McAteer emphasises that the majority of customers are adequately catered for by the standard programs.

Like most people in the industry, he tends to dismiss the sales forecasts thrown up so far, and believes that the only way to succeed in the field is to offer companies a service as simple or as complicated as they require.

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Highlights from Mr. J. R. SPEAR'S Statement

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Profit before Tax	289,402	214,957
Tax	111,145	96,725
Profit after Tax	178,257	118,232
Shareholders' Funds	847,533	724,087

● **RESULTS AND DIVIDENDS.** The improvement is due to larger home trade sales, better margins and an increase in income from trade investments. Exports, which had risen by 71% during the previous two years, were maintained. A final dividend of 13-5% is recommended making a total of 22-5% (20%).

● **SUBSIDIARY AND TRADE INVESTMENT.** G. J. Hayter & Co. Ltd., the leading manufacturer of high quality wooden Jigsaw Puzzles was acquired in September 1970. A useful contribution to profit from this source is expected during the current year. J. W. Spear & Sons of Nürnberg (41% interest) had a successful year. Scribble Schachzueche und Handels GmbH, Nürnberg traded satisfactorily but it is not intended that this Company will pay dividends until the cost of acquiring this Scribble rights has been fully provided for.

● **CURRENT YEAR.** The value of export and home trade orders received exceeds the corresponding figures for the previous year.

SPEAR'S GAMES

New London Properties Limited

PROPERTY INVESTMENT AND DEVELOPMENT

Points from the Statement by the Chairman, Mr. E. F. J. Plumridge, F.I.A.

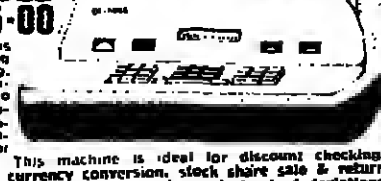
- ★ Your directors will be disappointed if the estimated surplus on realisations of flats of £1,500,000 subject to tax on capital gains, is not exceeded considerably. To date flats have been sold to produce a total of £2m., compared with £750,000 a year ago.
- ★ Since the year-end we have agreed to invest £500,000 in pre-let freehold Factory Estates in the Midlands.
- ★ Your directors propose to concentrate re-investment in shop and office property to give balance to the portfolio, and we have prepositions in this field under consideration.
- ★ Your directors recommend a final dividend of 11 per cent to make a total of 21 per cent for the year, against an equivalent dividend on the present increased capital of 18.4 per cent last year.
- ★ The prospects are good. In the current year we expect at least to maintain the dividend and thereafter anticipate satisfactory increases as the proceeds of sales are re-invested.

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Cutty Sark

Double-barrelled to mature the malts.

The Property Market

BY MICHAEL O'HALLORAN

Felnex to lose its top men

The first of what I recently predicted to be a series of important resignations were made this week. Felnex Central Properties—the principal development arm of Law Land—is to lose both Robin Brown, its managing director and the man who has built the company into a real force during the past 4½ years, and Laurence Permutt, the development manager. Although no announcement has been made, I understand that they will quite the company at the end of this month.

These moves will leave Felnex rather like a fish out of water, for it has always been a small, tight operation. Although nothing has been decided definitely, it looks as if the company might be absorbed into the main body of Law Land. But whether or not it can retain its effectiveness still remains to be seen. Recent coups under the Brown/Permutt regime include such notable deals as Hackbridge, and the existing development programme boasts such items as a 56,000 square foot office block in Southampton and 100,000 square feet in Leicester.

The two men are, of course, founding their own property organisation. On the surface, it looks fairly straightforward. The new company will have two main divisions, one concerned with development, and the other with project management. (Rumour says that agreement has already

been reached for the first major management contract.) However, it is the uncertainty which interests me most of all.

First, it seems to be too dark secret that the talents of this team have attracted the attentions of a merchant bank which has a deep thirst for property situations. No prizes for guessing correctly here. Secondly—and really intriguing—are the whispers about a rapid injection into a public situation. Official lips are sealed tight so far as this subject is concerned, but I am willing to bet that negotiations will be concluded successfully before the end of the year.

Where will the next resignations come from? Well, go through the list and pick out all of the conservative companies of the leading young men where the leading young men are expected to work for glory and disdain money. To many

of the old guard are courting disaster by failing to acknowledge the wisdom of the techniques now being used by Slater Walker and several others.

MEPC spend a further £1½m.

Still to a spending mood, Metropolitan Estate has paid just under £1½m. to London Investment and Mortgage for a mixed portfolio of ten properties. I presume that a key factor was the building "adjacent to existing holdings" in Mayfair—MEPC is certainly piecing together some interesting situations in that part of London. The relevance of an office/warehouse building at 13-17, Worship Street might also bear investigation in view of the company's stake in nearby Tabernacle Street. The portfolio also includes offices in Bournemouth, a factory in Brixton and a supermarket plus shops in Scunthorpe.

There are few excitements to be found in the latest list posted by the City of London planning office. Sovereign Securities might develop its small office block at 10a, Arthur Street, but the

company is still contemplating the alternative of restoration. Stratton Estates—a name we seem to hear quite a lot these days—also figures in the list with a plan for 18-19, Long Lane.

Outside of London, one development worth noting is a 43,000 square foot block which Bovis Property Division is to build on a site adjacent to Eastleigh station, near Southampton. Although it is the first office deal of any size ever contemplated for Eastleigh—the speculative ODP was granted on planning grounds—lettings should not be a problem. What with Grendon's vast industrial estate, the interest of hypermarket operators, and the shortage of space in Southampton itself, Eastleigh is definitely a place to watch. The Bovis block is scheduled for completion in a year's time.

Guardian buys Sugg works

The 120,000 square feet William Sugg factory at Crawley—it is the first building you meet in the town's very successful industrial estate—has been

bought by Guardian Property in conjunction with British Rail's pension fund. With a parking area for 200 cars, it is a prime property, and Guardian expects one tenant to pay more than 75p per square foot. Agents concerned are Wright and Partners, together with Lambourne and Foreman.

My congratulations to Jim Barrett and Tim Newmac upon their appointment as Directors of Guardian's industrial subsidiary. They have been particularly successful in recent weeks, buying the Sugg building and also letting more space at Guardian's Luton estate, where only 35,000 sq. ft. remains to be let out of the original 200,000 sq. ft. (Agents: Clive Lewis and Partners together with Connells.) Much the same story can be told in Cardiff, where Allied Windows has just taken 20,000 sq. ft. at the former Powell Duffryn works and a 17,000 sq. ft. new unit is all that is left empty.

OUT AND ABOUT

Star (Great Britain) Holdings' argument with the Dublin Hebrew Congregation about rights of light—a dispute which

The Financial Times Friday August 6 1971

has delayed the pre-letting of Star's 25,500 sq. ft. block in Adelaide Road—has now been settled. In fact, Star has bought the Synagogue site which lies between the new offices and the Synagogue building itself, and it intends to build another air-conditioned block of about 18,000 sq. ft. Jones Lang Wootton will be joint letting agent with Finnegan Menton.

● "This firm in modest terms is without doubt one of the most respected and competent companies specialising in all spheres of professional agency practice in the country." So runs a letter to prospective clients from Marcus Leaver and Co. You should bear them when they feel like boasting!

● Rubbing salt into my wound, Jones Lang Wootton has just issued a general report about the Brussels office market which says that the agency expects to let over 1m. square feet this year, beating the magical figure for the third successive year. Because many developers (and myself) are cautious thanks to had memories of the late 1960's glut of empty accommodation, there could be a shortage

of prime space within the next 18 months. JLV therefore predict that top rents will reach around £2.30 per square foot before very long. In sharp Brussels is "wide open market" for U.K. developers.

● The Surrey-based Ashville Group purchased a new 21,000 square foot industrial development in Merton Street, Barnet, only a few weeks ago, but it has already been let at nearly £10.00 per annum to M. V. Dart. Leonard Green and Co. were the agents. Other industrial news is that Wine Ways intends to acquire 70,000 square foot modern warehouse/office property at the Millstone Road estate, Northampton. Unless sold privately, and there must be a good chance of this happening—Chamberlain and Willows will offer the building on October 28.

● In Edinburgh, planning permission has been given for 45,000 square foot office block in Grassmarket. The private developer hopes to start construction early next year and occupation at the end of 1973. Marcus Leaver and Co. are the sole agents.

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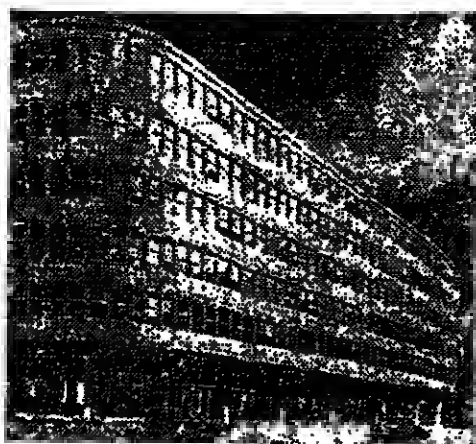
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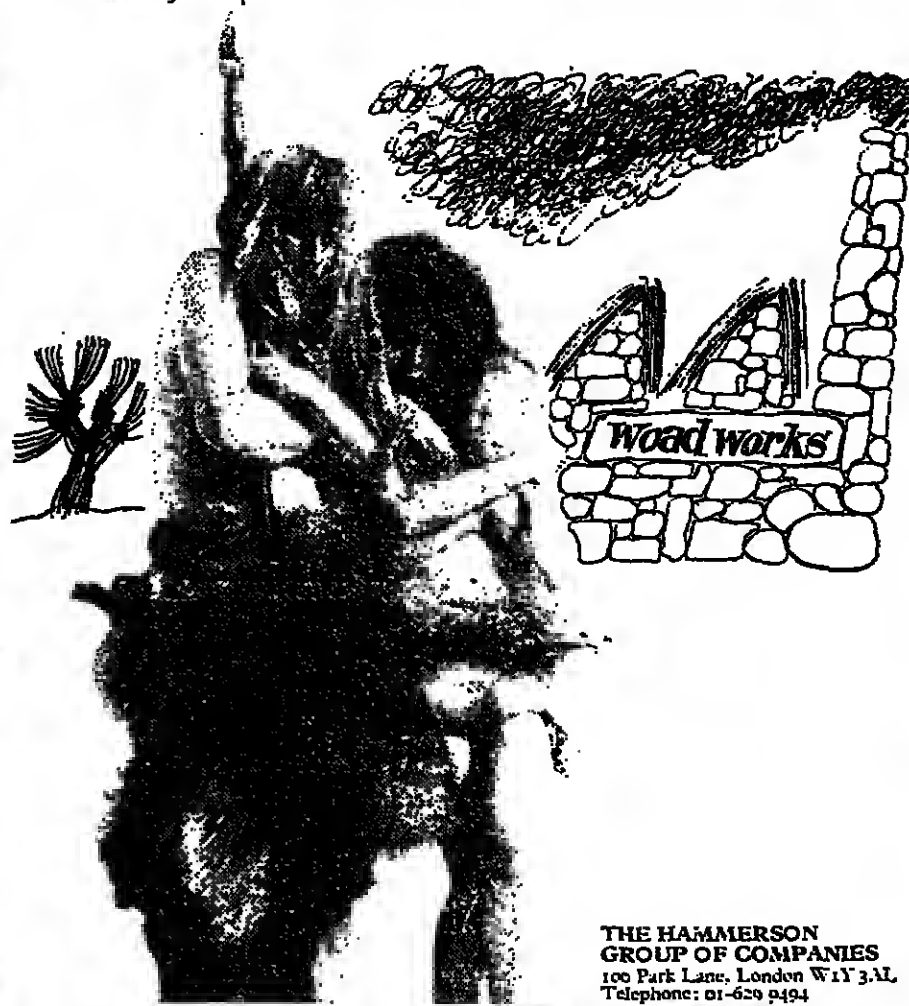
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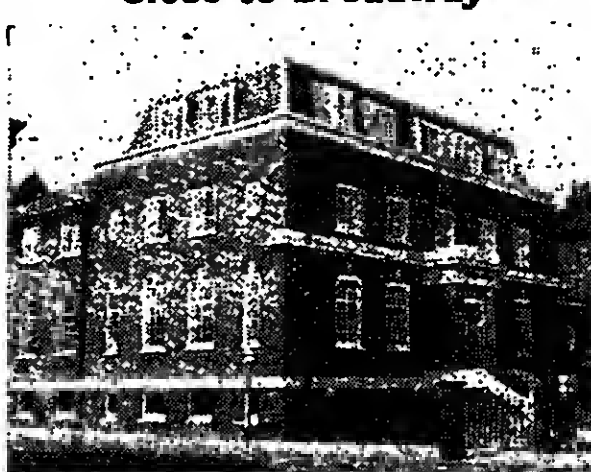
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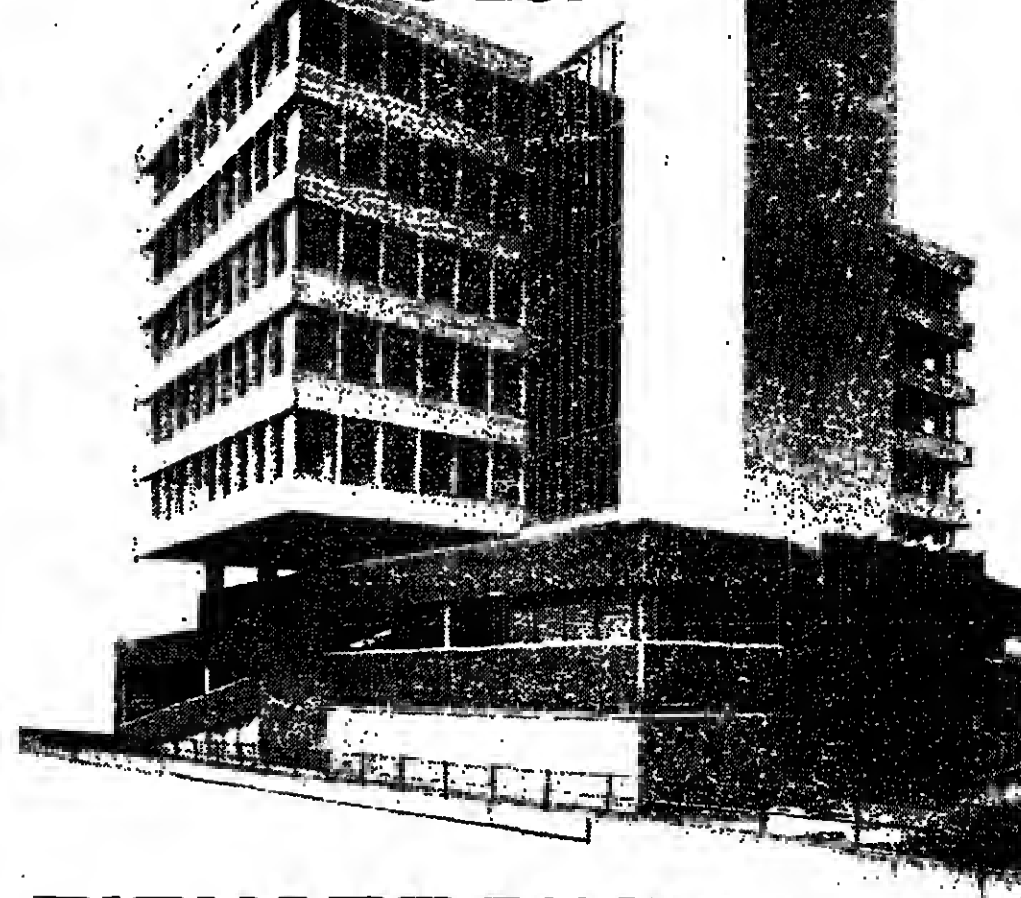
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The Executive's World

EDITED BY
DAVID PALMERConference
round-up

● **Opportunities in retailing.** Zurich, September 13-16. Organised by the Göttinger Ditt-Weiler Institute. The main theme will be the relative merits of downtown and out-of-town sites. Other topics include creative selling, and a visit to a Swiss supermarket. Details: Harry Ehrhard, 6 Museum Street, London, W.1.

● **Practical Forecasting—Tomorrow's Technology.** The Royal Military College of Science, Shrivenham, Wiltshire, September 21-22. Aimed at directors and general management and for long range planners in all sectors. Details: Society for Long Range Planning, 132, Terminal Road, Grosvenor Gardens, London, W.1.

● **International Insurance Management in the Seventies.** Montreux, September 27-29. Organised by Management Centre Europe. Chairman Mr. P. H. Leblond, De La Rue, London. Special attention to be paid to Britain's entry to the Common Market. Details: MCE, Avenue des Arts 4, B 1040 Brussels (Belgium).

● **Food Management.** The last of a series of three residential courses in Oxford will be held on September 5-10. Aimed at established managers who are moving up to top jobs. The course is divided into production, management, marketing, the computer, and management accounting. Cost £58 (members) £110 (non members). Details: BIM Management House, Parker Street, London WC2B 5PT.

● **Financing the Company.** A course for directors and senior managers of small and medium size companies on how to raise capital and the best ways of arranging the company's financial affairs. Numbers are restricted to 15 participants. Speakers include representatives from the National Westminster Bank, Midland Bank, PA Management Consultants. Details: Financial Techniques Limited, Bilbair House, New Broad Street, London EC2M 1PA.

● **Further courses from the same series include:** Mergers and Acquisitions, in Action, Sept. 15 in Bournemouth. Sept. 15 in London, and Finance for Management in Bournemouth Sept. 27-29 or in London the evenings of October 13-14-15-16-20.

● **Britain as a Business Partner.** Conference in Hamburg for German businessmen on Sept. 6. Chaired by Lord Caldecote, chairman of the Export Council for Europe. Jointly sponsored by the Financial Times and the ENEC. Details: Mr. Elliott Johnson, FT, 6 Frankfurt am Main, Im Sachsenlager 13, or Financial Times Conference Department, 388 The Strand, London WC2R 0LT.

CAVENHAM FOODS

Slimming bread, Bovril and the Eiffel Tower

BY KELSEY van MUSSCHENBROEK

A LITTLE over five years ago Cavenham Foods, as such, did not exist. It is now in the throes of a take-over battle for one of Britain's oldest food companies. Bovril, born nearly a century back when a Scotsman, John Lawson Johnston, invented a beef extract and subsequently created one of the most famous brand names of all time.

Two of the founder's grandsons are still on the Bovril Board: Lord Luke, who retired as chairman at the end of last year, and his brother, the Hon. Hugh Lawson Johnston, present chairman of the company. It is a situation which one has seen time and again since the war—the aggressive newcomer challenging the old order.

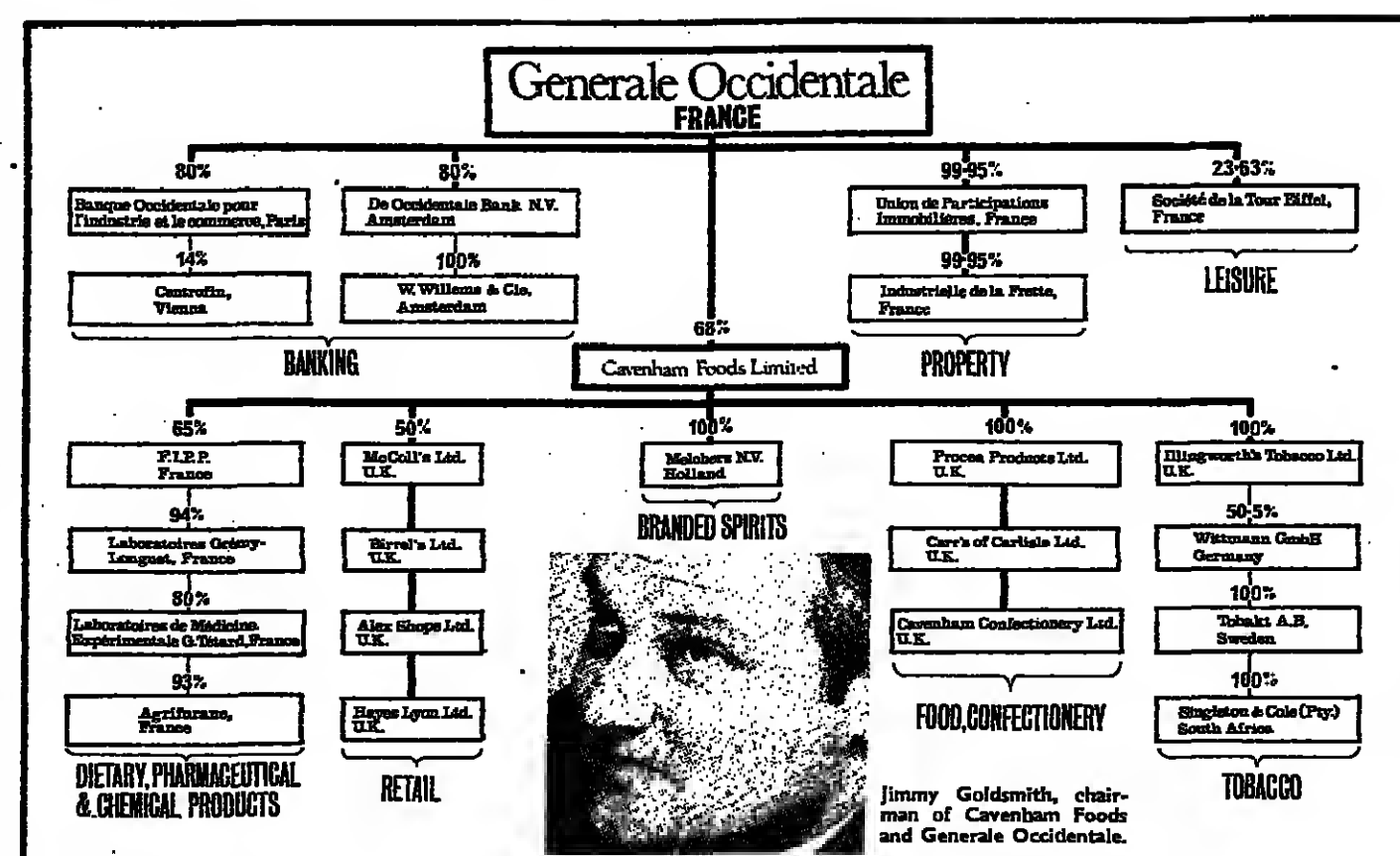
European future

The Cavenham bid has already flushed out one counter-bidder in the form of yet another long-established group, Rowntree Macintosh, and persuaded the massive Beca group to move on to the sidelines. Whether Cavenham will win through in the face of this kind of opposition remains to be seen, but chairman Jimmy Goldsmith is quite clear about his reasons for wanting Bovril.

"In the first place, we think we can do more with the existing business," he says. "Bovril's profits have not really moved since 1961. Last year they made 9 per cent, on net tangible assets; we made 50 per cent. The difference speaks for itself. Secondly, we can take them into Europe where they are hardly represented. Thirdly, we think we can do very much more with their two key brands, Bovril and Ambrosia."

These remarks, in fact, reveal a great deal about Jimmy Goldsmith and the group he runs. It could be said he has a high regard for profits, for consumer marketing and for Europe. Probably above all Jimmy Goldsmith is a European. "It is a gut thing," he admits. He was born in Paris—of an English father and a French mother—and educated at Eton. He has a French wife.

At 38 his objective is to create a genuinely "European" food and consumer products group, and Bovril is part of that basic strategy. Should Cavenham succeed in his bid it would not be



very surprising, therefore, to see Bovril's South American interests sold off. Of course, Jimmy Goldsmith refuses to be drawn on this just now, but he does stress that "Europe is what we understand."

That may be so, but the fact remains that the speed with which Cavenham Foods has been put together and the somewhat complicated financial deals which went into its making have confused a great many people, not least the City. If Jimmy Goldsmith understands Europe, and Cavenham's place in it, it is an understanding apparently not yet widely shared.

Apart from an obvious financial flair, coupled with an almost intuitive grasp of difficult European tax regulations, Jimmy Goldsmith's business track record reveals what in other circumstances would be regarded as an all too rare management quality—the ability to pull out of an operation immediately it begins to look doubtful not just in profit and loss terms, but also in terms of basic operating

strategy. In Jimmy Goldsmith's case, however, it is arguable that this ability has merely helped to increase public confusion. In this sense, at least, he is a victim of his own success.

His first business venture was in France where he founded (with a capital of £1,000) Laboratoire Cassenne in the mid-fifties. In just two years sales had topped £2m. a year, and the company rapidly found itself undercapitalised. Cassenne was sold to Roussel, the large chemical group. Jimmy Goldsmith then joined forces with Selim Zilkha, now chairman of Mothercare.

Together they bought a chemical chain, Lewis and Burroughs, from Charles Clore while Zilkha took a half share in Goldsmith's new French venture, Milca, a company making dietary foods. In 1962, however, they bought each other out. Goldsmith went back to France where he also became involved with a number of financial institutions which were subsequently merged to form the key holding

company of his group, Generale Occidentale. Selim Zilkha went on to develop Mothercare.

It was from France, once again, that Jimmy Goldsmith launched himself back into the U.K., buying Carr's of Carlisle, the biscuit firm, at the end of 1964 and using it as a base to form Cavenham Foods not long after. In 1965 Process Products was acquired, as were no less than eight small confectionery companies; then came Singleton and Cole, a major tobacco and confectionery wholesaler which included a small snuff business (Illingworth's) and a number of retail shops (Hayes Lyon).

Not the least of Cavenham's "acquisitions" was a young, professional management team (senior management's average age is 42) with backgrounds in such companies as Procter and Gamble, Ford, Mars, Pet Foods, Colgate, Palmolive, Beca, and so on. And it is this team which has taken what initially appeared to be little more than a loss-making rag-bag and turned it into a clearly structured, market

oriented and profitable group within five years.

In this time, for example, sales of Cavenham's slimming foods division (essentially Process and Slimex high protein bread mixes) have increased nearly two and a half times, with a more than proportionate improvement in profits. To-day Slimex and Process breads account for close on 60 per cent. of a market worth around £20m. a year in retail terms. Moreover, it is a market in which some 10 competitive brands have been launched, only to fail.

The beauty of Slimex and Process is that Cavenham as such does not bake any bread, but merely sells the special mix. Technical know-how and marketing expertise to bakers. Capital employed is not high, as a result. Moreover, the company is now working on further Slimex products such as sugar, milk, butter, and has plans to launch a Slimex sugar nationally fairly shortly following a successful test market in the Tyne-Tees area.

Substantial capital has, however, been injected into both Carr's and Cavenham's confectionery business. No less than six confectionery factories have been closed in recent years, and the remaining three modernised and re-equipped. Both these businesses are now profitable.

With the acquisition of Singleton and Cole, Cavenham initially tried to become a major force in tobacco and confectionery wholesaling. The attempt was unsuccessful, and Cavenham pulled out of wholesaling entirely, keeping the snuff business and retail shops. Both these have been developed further with important and profitable results for the group as a whole.

It was because of the snuff business ("We found it hiding away in Singleton's," says Jimmy Goldsmith) that Cavenham became linked with the U.S. Concord Corporation. An attempt to sell the snuff business to Concord (itself America's largest snuff company) resulted in the U.S. company taking first a half interest in Illingworth's, and then 50 per cent. in Cavenham Confectionery—the total consideration was £1m.

The expansion of Cavenham's retail confectionery, tobacco and newsgroup (CTN) shops has been even more gratifying. The original 22 Hayes Lyon stores were joined in October, 1969, by 45 Alex Shops. At the beginning of this year Cavenham bought the Birrell and McColly chains (430 shops) from Keyser Ullmann, the merchant bankers. They were running at an overall loss.

Since then 105 unprofitable shops have been closed, along with a warehouse, and stock levels halved with a reduction in capital employed of £600,000. Profits are now running at more than £300,000 a year.

It is the performance of this division which has formed the basis of Cavenham's latest deal, as a result of which the Southland Corporation of the U.S. expects to take a half interest in the retail chain for £3.3m, payable in cash on October 1. In effect, this means that Southland is valuing the special mix, technical know-how and marketing expertise to bakers. Capital employed is not high, as a result. Moreover, the company is now working on further Slimex products such as sugar, milk, butter, and has plans to launch a Slimex sugar nationally fairly shortly following a successful test market in the Tyne-Tees area.

Given that Cavenham paid £1.2m. for its entire retail chain (now represented in the books by £700,000 of net tangible assets and £500,000 of goodwill), the Southland deal appreciably strengthens the U.K. company. Was its timing influenced by the

Bovril bid? Jimmy Goldsmith says that "nothing could be said from the facts."

These are that while the U.S. investment bank "Ansheer Pierce of Dallas, to the Bovril bid, he was about "a client," of theirs was looking for a European partner. "The Americans don't have time, you know," Goldsmith adds. Contracts between Cavenham and one of America's "convenience store" operators (Southland owns the 3,700-strong 7-Eleven chain, among others) are now being exchanged.

At the same time, Jimmy Goldsmith recognises that some of the Cavenham-Generale Occidentale structure may have seemed over complicated. It was because of this that Concord interests in Illingworth's Cavenham Confectionery were exchanged for an effective per cent. stake in Generale Occidentale last year, and a temporary suspension on London Stock Exchange. By same token, Cavenham Confectionery will lose its Swiss nationality, and be brought back to the U.K.

Property interests

Again, in France Generale Occidentale's property interests will follow the company's interests and be sold off. (The Eiffel Tower stake will be kept, however.) Up to £5m. is expected to be raised in this for use in the group as a whole.

Cavenham's own European interests are held through wholly owned subsidiary Cavenham AG in Switzerland and Notra NV in Holland. An exact proportion of operating company shares held by each essentially a function of European tax regulations—the objective being to minimise Cavenham's overall tax burden. If this appears complicated it is no more than a reflection of the long road Europe still has to travel before genuine harmonisation is achieved.

Jimmy Goldsmith's stake in Cavenham is held through Generale Occidentale which he and his French partner, Baron Alexis de Guise, have a controlling interest. There is a certain irony about this, for it means that Cavenham is take-over proof.



One aspect of promotion and marketing, they say, is a superior floodlighting job. People, it seems, remember the buildings on which the lights shine. So put the name and/or the brand names up in lights.

Hurstmoneux Observatory and St. James's Park have nothing to sell except their own beauties. Thorn floodlighting gives them both a different quality by night. Memorable and haunting? Perhaps.

Supervisors—industrial cinderellas

BY STANLEY OLIVER

CORPORATE growth has a dramatic effect on the role of the supervisor. Yet too few companies recognise this. Directors, once inebriated by the project, the success of the company, and consequently the supervisors become less effective.

When a company employs around 50 personnel, the production foreman is likely to be responsible for around 35 to 40 personnel. He will be wholly responsible for the production area, while the company middle management layer may consist of sales, administration, production, design and development. He will supply all the "specialist" services, with the exception of design and development, and he will experience very little interference in his day-to-day work.

In the company's history, it might be only a short step forward in time before reaches the 200 mark. The organisational implications of this apparently modest growth may be quite dramatic.

The foreman will probably become "production superintendent" and may become responsible for nearly 150 personnel. The production side of the business is likely to have been divided into the following three areas under a works manager: production control, production, and production engineering. The company may have a personnel training officer and also a chief inspector. Our superintendent has a much larger number of personnel to look after and will probably have five foremen assist him.

If the company grows larger,

to a stage where it has 1,000 employees, his position becomes even more complex. He may now carry the title of assistant works manager. There will have been a considerable strengthening of the accountancy, production engineering and personnel functions and senior managers will have appeared in these specialisms. There is also the possibility of a management services officer appearing in the organisation.

The assistant works manager (or the production superintendent), could be excused for thinking that there is now a plethora of management personnel interfering with his work—which he did perfectly well himself in the "old days."

Re-allocation

As companies develop through these stages it is a familiar experience for them to lose touch with their supervisors. For example, let us look at the job of an assistant works manager in a 1,000-men factory. I once gave one of these men an activity sampling study, with the following results: Meetings and discussions occupied 35 per cent. of his time; 31 per cent. was taken up with miscellaneous activities such as investigating machining problems, loading and planning, organising and inspecting shops; the balance of 34 per cent. was spent on sales and delivery, ordering materials and costing tenders.

I concluded that 40 per cent. of his total time was being used on work which should not be the

concern of an assistant works manager. There was a clear case for a re-allocation of duties and it was decided to create a new position of machine shop superintendent.

The activity sampling study revealed that the assistant works manager had practically no time available for cost control and cost reduction in the manufacturing situation. He thus had little influence on the efficiency of overheads recovery. The company's top management should have been aware of this, and should have taken steps to make him more effective.

It is important for directors and senior managers who have lost touch with their supervisors to regain contact. This can only be done by increased involvement in the supervisor's environment. There are four aspects to this.

Firstly, directors and senior managers should experience personal involvement. Use can be made of informal discussions, visits to the shop floor and attendance at company social functions.

Secondly, there should be technological involvement. Neither the director nor supervisor should stand on the sidelines and leave the pursuit of improved technology to the specialists. Supervisors should be brought into meetings where important equipment is being discussed and should be taken to see equipment exhibitions and demonstrations.

Thirdly, there should be company involvement. The supervisor should be the "complete company man." He should be

well informed on company policy, and should understand how he can play a maximum benefit role. There should be close liaison with marketing departments. Supervisors should be invited to meetings of sales representatives where they will receive important feedback from customers. A house journal or company news-sheet is helpful.

Fourthly, there should be management techniques involvement. The supervisor should be encouraged to discuss relevant management techniques, particularly with the specialists.

Educational courses will only be useful if a lead is given in the pursuit of increased profitability by directors and senior management. What has happened to your supervisors—do you know?

Stanley Oliver is senior lecturer in management techniques, Salford College of Technology.

Consultants for bank

LYOYD EXECUTIVE Selection, the personnel consulting company, is to provide the senior staff for the London branch of the Bank Hapoalim of Israel. The bank, which has its head office in Israel, had previously maintained a representative in London for one year.

Five senior personnel have now been appointed through Lloyd Executive's banking and stockbroking division.

In brief

● Lonsdale Crowther has won the British Rail Sealink ferry account, worth some £250,000 but possibly rising to £400,000, against Young and Rubicam, Foote Cone and Belding and Dornell. But it has lost Carreras export advertising and the £250,000 Rothmans King Size cigarette business.

Carreras has realigned its agencies in order to get "London-directed on-the-spot representation in its most important world markets." McCann-Erickson gets export advertising and will also handle Dunhill home and export accounts which were formerly with Freeman Mathes and Milne. Lintas gains the King Size in the U.K. and F&M takes over the £180,000 U.K. Peter Stuyvesant account from George Cuning.

● Wydells is to handle an eight-day pilot exhibition in Sheffield for Ocean Travel Development.

● Goya's new Meadowsong range of toiletries is an MCR account. Advertising is to begin on August 18 and continue until December. Press and radio make up the schedule.

BOOKS RECEIVED

Management Theory, by John B. Miner, Collier Macmillan £1.95. Aimed at people looking for their bearings in management. Students, managers, administrators. Theoretical and American.

The Financing of Small Business, by James Bates. Sweet and Maxwell £3. Second edition. The author is professor of business economics at Queen's University, Belfast.

The Patent Office, by Stacy V. Jones. Pall Mall Press £3.50. The author writes a column in the New York Times called "Patents of the week."

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THE HAGUE, 29 SEPT—1 OCT 1971

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Prof H B G Casimir, Philips NV

Alvin Toffler, Author *Future Shock*

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Dr Jurg Rutschmann, Sandoz Ltd.

Mr M Dyra, Danfoss A/S

Dr D G Jones, I.C.I.

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Chairman: Prof H B G Casimir, Philips NV

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FRIDAY AUGUST 5 1971

No overnight change

WHAT the Government decided to go for faster economic growth and the Industrial Relations Bill has become Act, there may be an opportunity to dispel the bitterness which has accompanied its progress through Parliament. The Act will not come into force overnight. The National Industrial Relations Court and new office of the Registrar of Trade Unions have to be set up and appointments made. The Commission on Industrial Relations has to be expanded and arrangements introduced for the Industrial Councils. These institutional factors will govern the pace at which different sections of the Act are brought into force.

Registration

The unions are planning to support the working of the Act through three different ways. First, the TUC is urging its members to stop sitting on Industrial Councils and particular unions are proposing to back up this quest by ceasing to pay penalties to members and member members who ignore it. It could create manning difficulties, since at present one of the three members of each Industrial Council is normally a union member. Second, unions will be keen to ensure that the majority of contracts include clauses ruling out their legal forcefulness.

A mouse of an upturn

REAL PLAY was recently made by the Chancellor with a fact that the latest export figures showed that there was a small increase in the volume as well as the value of British exports. A careful analysis in the official publication "Trade and Industry" shows, however, that so far we have seen no more than a mouse of an export revival. If the trend does not accelerate sharply the much-reclaimed £800m. payments surplus will eventually melt away, and the Government's new expansionist strategy will be the way of all similar initiatives in the past.

Distortions

Because of the distortions caused by the Post Office and ord strikes, the first half of 1971 has to be considered as a hole and compared with the second half of the previous year. On this basis the official figures show that both exports and imports rose by 6 per cent. in value. But while two-thirds of the import rise was due to an increase in the volume of arrivals, only one-third of the export rise can be explained by volume changes. This implies that on the latest evidence export volume is increasing at an annual rate of not much more than around 4 per cent. This limited upturn has moreover occurred after a year and a half in which there was virtually no growth at all in export volume, even though the exports of other industrial countries continued to expand at a moderate rate.

By almost any standard of measurement this performance spells trouble. Import volume increased twice as fast as export volume even in the first half of this year. This was a period of recession accompanied by low stockbuilding. One hesitates to think what imports will do if the rate of growth really does reach the Chancellor's projected 4.4 per cent. and stockbuilding returns to a more normal level. The balance of payments has remained strong partly because of the stagnation of the home economy, but even more because

Third, the TUC is recommending unions not to register under the Act. When the relevant section comes into effect, unions already registered will be automatically transferred to the new register, but the TUC wants them to take themselves off the old one before this happens. Some white-collar and general unions would prefer to register for fear of being put at a competitive disadvantage. The disadvantages of not being registered—loss of some immunities, limitation of the right to recruit, liability to unlimited damages if taken to court, possible tax penalties—are so great, moreover, that many union leaders are resigned to the idea of registering once the initial protest has been made. But a call may be made at next month's TUC Congress for unions which register to be expelled. It remains to be seen if the Left-wing can push the majority into more militant action than it wants.

Gradual process

Provided that the door to gradual acceptance of the new legislation is not locked in some such way as this, the outlook is not discouraging. Everyone will be playing themselves in cautiously. The Registrar and the NIRC have to work out their interpretations of the Act. The Minister has to decide in precisely what circumstances he should exercise his powers to impose a cooling-off period or call for a secret ballot. Employers have first to acquaint themselves with their new obligations and are unlikely to resort to litigation very much more than in the past, for the simple reason that this would often tend to worsen labour relations rather than improve them. Unions and their members may come to realise and admit, now that the legislation is an inescapable fact, that they have much to gain from it. The time has come, in short, for emotion to give way to reflection.

World steel—a problem the demand cycle cannot cure

Wage settlements . . . higher prices . . . cheap imports . . . Ken Goffon looks behind the settlement of the U.S. steel pay negotiations, and discusses the turmoil in which the world's steel producers find themselves

BY last week-end they had started to dampen down the furnaces, so close did the U.S. steel industry pay negotiations come to a major strike. As it is, a last-minute settlement has kept the furnaces glowing and the mills turning, but it is an agreement that gives the steelworkers an extra 30 per cent. over the next three years (and possibly more with cost-of-living allowances), an agreement that has done nothing to resolve the pressing problems of the industry either locally or worldwide.

The pay award, in line with others previously negotiated by the same union in aluminium and canning, will cost the steel companies over \$700m. Since their profits last year on an industry-wide basis totalled little more than \$500m, it is hardly surprising that the biggest of them, United States Steel, has already announced price increases averaging 8 per cent.

In taking this action, U.S. Steel is rather like an ingot being squeezed through one of its own cogging mills: it cannot afford not to raise its prices, but when it does it makes it even easier for cheap imports to eat into its markets.

Pledged to hold prices

The Americans have had a bad time recently. They were hit last year by the General Motors strike. They suffered a self-inflicted wound, having pledged themselves in 1970 to hold prices for 12 months at a time when raw material prices were shooting upwards. Then, rather like the British Steel Corporation, they failed to get away with the price increases they would have liked at the beginning of this year when President Nixon expressed his displeasure at the 12.5 per cent. sought by Bethlehem Steel. As the biggest and richest market, they have also been the most vulnerable to imports, so that foreign mills now rank third, after U.S. Steel and Bethlehem, as a source of metal for the American engineering industry.

But the U.S. steelmakers are not the only ones with troubles. One hardly needs reminding that on this side of the Atlantic the British Steel Corporation itself is in serious difficulty. Its £10m. deficit in the last financial

year may be capped in the current year by one of £110m. The latest figures from the International Iron and Steel Institute show that the rot has set in at other steelmaking centres, too.

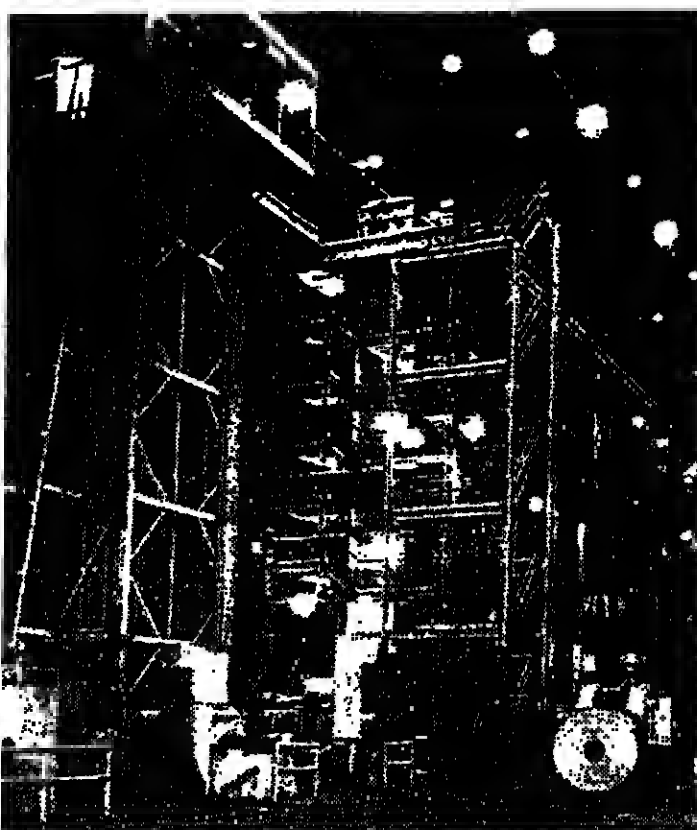
For instance, Common Market output of raw steel was down 6.2 per cent. from 56.57m. to 53.08m. metric tons during the first half of 1971 against the first half of 1970. In Japan the fall was 8.3 per cent.; in the U.K. 10.3 per cent. In every case, the performance in June when compared with a year earlier was proportionately worse, with Japanese production down 10.6 per cent. and U.K. production down 18.9 per cent. (An important factor in the disappointing U.K. figures for June was the short-lived but damaging blastfurnacemen's strike which may now be repeated in September.)

The only important exception to these gloomy first half figures is, surprisingly, the U.S. and the improvement there—January-June output up by 5.7 per cent. on 1970—coinciding with record imports, is largely explained by the customers' rush to stock up with steel ahead of what could have been a prolonged strike. Inevitably, a backlash will follow. In June, steel output was only 1.8 per cent. ahead of the same month of 1970. The chairman of U.S. Steel, Edwin Goff, has said that he expects shipments to fall steeply from now on as stocks are run down.

Still faith in the cycle

Steelmakers, of course, know that they have to live with a cyclical pattern of demand. Up to the middle of last year they were enjoying an unprecedented international boom: after those heady days, the hangover comes as a bit of a shock, and it is all the more painful because the way costs have risen in the meantime. However, no one has yet lost faith in the idea that the cycle will eventually resume an upward path, even if it is accepted that business may not show any recovery before the early part of next year. The present problem of low-capacity working, in other words, is one which should sort itself out.

Yet there is another factor at work in the messy situation the world steel industry has got itself into, and it is one that



An overall view of continuous annealing lines of the United States Steel Corporation in Pennsylvania. U.S. Steel this week announced price increases averaging 8 per cent.

will not go away by itself: international trade. Steel, being a heavy, bulky, and relatively cheap commodity, has never been shipped around the world in large quantities.

There has been no equivalent of the aluminium industry's "switch" deals, whereby if foreign supplier A locates an order in the home market of producer B, in all probability it will be company B that supplies the customer in return for a similar service in the home market of company A, and a saving in shipping costs all round. Moreover, steel being of great strategic importance, local industries have been well protected by tariffs in the past.

Today the pattern is changing. Of the limited quantities of steel which used to be shipped around the world, the main flow, traditionally, was from the developed countries to the underdeveloped, which lacked steel-making facilities of their own. Many of those markets have now

gone, completely or in part, as developing nations have gone into production on their own account. Tariffs have come down, under the Kennedy Round and similar treaties. More steel crosses international frontiers these days, and more of it passes between the developed nations.

Temporary surpluses

The International Iron and Steel Institute, for instance, has estimated that world trade in steel mill products has risen from 63.4m. metric tons, or 16.3 per cent. of world production in 1967 to 90m. metric tons (19 per cent.) last year; by 1975 the figure could be 110m. metric tons, or about 20 per cent. of world production.

There is a certain inevitability about this. Demand for a particular product in one country may surge ahead of the

capacity or technical ability of the local steel industry, as happened in the U.K. during the rush to lay the natural gas pipeline network. Or, as is the way with major capital projects, capacity may be brought in to production in a big lump, giving rise to a local, and temporary, surplus.

What takes some getting used to, however, is the Japanese idea of building steelworks with the intention of exporting a major part of the output. Japanese home demand for steel has expanded very rapidly, but because the industry must import almost all its raw materials it was expected to export something like 25 per cent. of its finished steel to cover its purchases of iron ore and coking coal. This would be less of a source of anxiety to Japan's competitors if the tonnage involved was not so large: output is now around 90m. tons and may rise by as much as another 50 per cent. by 1975.

More than anything else, it is the expansion of the Japanese industry that has led to the discussions now going on around the world to try to control the growth of international trading in steel. A three-year voluntary agreement, limiting steel shipments to the U.S., and introduced in the peak import year of 1968, runs out at the end of this year. The Americans are taking a tough line in the talks with U.K. Common Market, and Japanese steelmakers which will set the limits on exports to the U.S. for the next few years.

Divert more to Europe

At the same time, the British and European industries fear that if the Japanese have to settle for something less than they would like in the U.S. market, they will divert more steel to Europe. This is what lies behind reports of further talks aimed at extracting a further "voluntary agreement" from the Japanese not to flood the European market.

On the whole the U.K. has not directly suffered as much as the Continental countries from Japanese exports. The damage has come more from low-price competition in markets which the British Steel Corporation has regarded as its own, such as Scandinavia. However, there may be some significance in the

fact that shipments of Japanese steel to the U.K. have hovered between 2,000 tons and 5,000 tons a month for the last three years, averaged 30,40 tons a month during the last four months of 1971. Certainly the BSC's special steels vision is worried about the re in imports of stainless steel.

Risk of legal action

All the emphasis on duty agreements, of course is intended to avoid legislation, or any form of "trade war". There has been ample evidence of a revival of protectionist sympathies in the U.S. in the last three or four years. As the Americans often feel that they are the victims of "dumping", the risk of them taking legal action to protect their steel industry is not as remote as it might once have seemed. Similarly, according to steel industry sources, European politicians, at least in private, are becoming more protectionist. There are signs, it is said, that the Japanese are beginning to recognise the danger signals, and modify their expansion plan.

Investment programme

The intriguing question is where this leaves the British Steel Corporation. Its long-term investment programme is now being reviewed by the government, but its plans for a major increase in production from 25m. tons in 1970 to 35m. tons by 1975 and possibly 45m. tons by 1980, depend on success in building up sales in export markets, as well as on our ability to produce at attractive enough prices to avoid losing business to imports.

Can the trick be done? The problem for the BSC is that it dearly wants some brand new steelworks to improve its competitiveness, which (in the absence of a wholesale closure programme of old works) implies a big jump in capital. In view of the question mark over international trade in steel, however, it will need to be very certain that it can sell it all, profitably, before it sets ahead.

MEN AND MATTERS

The U.S. grip on International Combustion

When Mr. H. W. Jackson resigned last Friday as managing director and deputy chairman of International Combustion (Holdings), it was not a hard guess that this was a sign of the increasing grip being taken on the company by Combustion Engineering, the American company which in 1969 stepped up its stake in ICH from 10 to 30 per cent., with an option on 15 per cent. more. Last September it was announced that a team of executives from the U.S. company would be coming over to take part in the management of International Combustion Limited, the main operating company. This happened a few months after ICH had accepted £7m. liability on the disastrous Dungeness B nuclear power station contract.

What has now happened is that Mr. John Mangold, the American who became managing director of the operating company late last year as head of the U.S. management team, has now become managing director of the holding company as well.

Mangold, 44, was for 20 years with the U.S. Navy, with a degree in engineering and electronics, and was for the last nine years involved in the U.S. Navy's nuclear programme—he commanded a nuclear submarine. He joined Combustion Engineering (one of the biggest U.S. builders of power stations) in 1967, to manage the construction of nuclear power plants. Since he came over last October, he has had two principal American assistants, Mr. Leo Buckley, on finance, and Mr. J. C. Campbell, a production expert, helping him reorganise

International Combustion (Campbell returns to the U.S. this week).

Read all about it

The Industrial Relations Act is producing a flood of publicity to tell us what it is all about. The CBI and the TUC have already got out short guides or commentaries on the Bill, and the CBI also has a guide for employers. The TUC's equivalent, its Code of Good Practice, is due about October (after the TUC Congress). The British Institute of Management will have pamphlets at the end of this month, and a management guide in the autumn. The Institute of Personnel Management has Prof. John Wood working for an October publication.

But the race to get out the first commentary on the Act in its final form looks like being won by the Industrial Society, which will print Joan Henderson's *The Industrial Relations Act at Work* over the week-end, with a 35,000 distribution beginning on Tuesday—so beating by about a week the actual publication of the Act by the Stationery Office.

The race for the first full book may be won by publisher Philip Kogan, who has Mr. Peter Paterson of the Sunday Telegraph working on an *Employer's Guide for August 17*. But spare a thought for the Department of Employment, which has to get out its guide within 2 months, but, unlike everyone else, has to stick to the letter of its own Act.

No rush to invest in farm land

Whatever happened to the Agricultural Bonds launched a year ago by the Property Growth

Assurance company, as a variant (probably a unique variant) on the property bond? At the launch it was said that the minimum single premium investment would be £500, and that the idea was to invest, not in urban commercial or residential properties, but in agricultural land. The fund would be managed by Strutt and Parker, the high estate agents and managers.

A year later, the bonds are still quoted on a spread of £500-£516, and only about £70,000 has been taken in—considerably less than the £120,000-£150,000 which Strutt and Parker originally said they were going to spend on each separate investment. And in fact no investments have been made—the £70,000 has been lying on deposit.

So is the bond a failure? Mr. Peter Rutley, managing director of Property Growth and a well-known figure in the property bond business, says that really it was a private fund for other investors with the group, and that it has never been advertised or propagated, and that in the meantime his company has been watching the market and "testing the temperature." But this period of waiting may soon be over—"it is our firm intention to buy a property by the end of the year." It looks unlikely to be the 500-plus acres originally intended for each investment, but for £70,000 you can buy 300 to 400 acres.

Never out of the headlines

On Monday, Mr. Maxwell Joseph resigned from the Cunard Board and from his personal involvement in that takeover situation. On Tuesday, his Grand Metropolitan Hotels company bid for East-Kilbride

Dairy Farmers. On Wednesday, it made its fourth offer for Truman Hanbury Buxton. And yesterday, just to keep up the pace, it bought a cafe in Rome. Not just any cafe, of course, for the Café de Paris is on the Via Veneto, was the setting for some of the film *La Dolce Vita* and boasts a heated canopy which enables the famous to sit outside all year round to have their pictures taken by the paparazzi. Just as important, the back of the restaurant adjoins the back of the Savoy Hotel, which Grand Metropolitan bought in June.

The Rome deals were done by Mr. Stanley Grinstead, one of the triumvirate which rules Grand Met—Joseph himself, plus joint managing directors Grinstead and Mr. Ernest Sharp. Anything to do with hotel management comes to Sharp and Grinstead, known internally as Punky and Perky, with Sharp the entrepreneur and Grinstead the finance man. He first went to Rome looking for business last September, and after a few blind alleys, "got a lead on the Savoy," and soon afterwards the Café de Paris.

And what will happen in Joseph's empire to-day? Grinstead admits that the last month has been a bit hectic. He is off on a fortnight's holiday.

Gardening note

We can now expect all-white plants. Previous experiments to prevent colour development had failed because the chemicals used killed the plants. But the Agricultural Research Service of the U.S. Department of Agriculture has now found a herbicide which, while not very effective at killing plants, makes it possible to grow them pure white, flower and foliage.

Observer

TRIPLEX FOUNDRIES GROUP LTD

All divisions contribute to record profits

Results for year ended 31st March, 1971	1971	1970
Group profit before taxation	782,141	549,189
Group profit after taxation	468,641	301,689
Preference Dividends (Gross)	9,845	9,845
Ordinary Dividends (Gross)	207,391	155,538
Profit retained	251,405	136,306
Ordinary dividends for the year	20%	15%
Times covered	2.21	1.88

Key points from statement by Chairman Mr. R. Harrison, M.I.B.F.

Expansion and Modernisation

Although trade is not so buoyant as we would like, we are probably not being so badly hit as many, due in the main to our widespread range of customers and the varied activities of the Group.

We have confidence in the future and are pressing ahead with our various expansion and modernisation programmes. We look forward to the day when the brakes are taken off to enable us to utilise all our capacities to the full.

Increased Dividend

Bearing in mind our improved cash position and the rise in profits this year, we have decided to recommend a Final Dividend of 15% making a total for the year of 20%.

The Future

We shall be endeavouring to further improve, and with the Common Market a distinct possibility, will be set to increase our sales, not only in Great Britain, but to take advantage of any business in Europe.

Copies of the Report and Accounts are available on application to the Secretary, Triplex Foundries Group Limited, Tipton, Staffs.

UCS—the question of responsibility

WHO IS responsible for the Upper Clyde disaster? One's normal reaction to this kind of question is one of impatience, because it tends to produce the kind of useless and basically dishonest slanging match which we have heard Mr. Anthony Wedgwood Benn and Mr. John Davies conducting during the last six weeks—an exchange which is not only demeaning in itself but which makes it more difficult than ever to clear up the mess.

All the same, the question of responsibility is still important because the whole story throws so much light on the characteristic weaknesses of the last Government and of this one. Whatever the embarrassments and difficulties, Mr. Davies would be doing a real public service if he changed his mind and allowed a select committee—perhaps a Select Committee of the House of Commons—to review the complete history of the affair.

Mishandled

Meanwhile what is the relatively impartial observer to make of the business? Clearly, both the Labour and the Conservative Cabinets have made terrible errors of judgment and presentation and the Labour errors must surely be judged as anything more fundamental than the Conservative ones, if only because they preceded them. A man who fails to jump out of the way of a carelessly

driven motor car when he has time to do so deserves to be run over, but the basic fault lies with the careless driver. By the same token Mr. Davies has mishandled the UCS crisis, as he has the Rolls-Royce one, but he would not have been required to handle a crisis in either case if Mr. Benn had not set them rolling before he left office.

There are three serious charges against Mr. Benn, and a really experienced parliamentary performer in Mr. Davies's shoes could have slaughtered him with any of them. The first is that he should never have allowed UCS to be set up in the first place. His alibi—that the merger in 1967 was the idea of the five yards involved and that it was all in line with the Geddes report on shipbuilding in any case—simply will not do.

Anyone who had anything to do with the beginning of UCS agrees that the existing yards had their arms almost twisted off by the Shipbuilding Industry Board and the Ministry of Technology before they consented to form UCS, and the Geddes report, though it talked of the desirability of forming "one or two" groups in the Clyde as a whole, was certainly no licence for chaining the five struggling or unprofitable yards of the Upper Clyde together under an untried management in the belief that they would turn, by some implausible piece of alchemy, into one profitable concern.

What seems to have happened is that Mr. Anthony Heppner's fast-talking enthusiasm for the merger chimed in with the fashionable Wilson-Benn passion for "dynamic" intervention in the industrial field and with their very reasonable fears about looming unemployment on Clydeside. The trouble was that nobody concerned was ever really clear whether the enterprise was supposed to be a viable economic proposition or a convenient way of subsidising West Central Scotland.

Ambiguous

This confusion really constitutes the second charge against Mr. Benn, for it persisted right down to June of last year. There were those in the Ministry of Technology who believed that the yards would never make money, but that by careful pruning, with rationalisation and with new management, the losses could be drastically reduced and the Upper Clyde work force gradually absorbed into other industries. On the other hand there was a school of thought which believed the breezy forecasts of the management and their accountants and assumed that viability was just round the corner—if only another few million pounds was spent.

By the end of the Labour term of office the first of these groups was clearly in the ascendant; and if Labour had won the Election those respon-

sible were all prepared to (a) change the management, (b) hive off Yarrow's yard, and (c) close down John Brown's yard at Clydebank as soon as possible. But even after the crisis in 1969 when the Government had to put up £2m. in a hurry there were still those who deceived themselves and the public that this was the last

nothing either then or subsequently to prepare Parliament and public for the probability that further State funds would be required, or the work force for the probability that the squeeze on them was going to be increased. Indeed, when he went out of office the Party line was that UCS had received its

last subsidy and would shortly make a profit. When the crash came, of course, this public position was extremely uncomfortable and Mr. Benn has had to climb out of it as best he could. It is not so much a "charge" as a piece of gruesome inevitability that he should look terrible in the process. He knows perfectly well that there has been no Conservative "plot" to butcher Clydeside; he knows that nationalisation would have made no difference to a company which was up to the ears in debt and was already owned

by the Government. The elaborate exercise undertaken last Christmas to this end—with the co-operation, once again, of UCS's over-optimistic management and accountants—seems to have done the trick, at any rate in Mr. Davies's mind. He seems to have been genuinely shocked and outraged when the final crisis came upon him at the beginning of June. He was also caught unprepared.

The logic of his position was certainly to call in the liquidator, but his Department does not seem to have worked out in advance what the rust of doing this would be or what kind of arrangements might be made for picking up the wreckage; nor does Mr. Davies seem to have realised just how violent the political reaction from Scotland would be. The financial and political price involved is, in fact, very high. Quite apart from the cost of keeping the yards going since June there is the question of redundancy and unemployment pay, and on top of that there is the probability that private industry, which the Government is relying on to help it pick up the pieces, will refuse to do so unless it is offered heavy inducements in the way of expensive contracts and subsidies.

Politically, the Conservative party must look forward to being virtually wiped out at the next local elections in Scotland and to being faced with a revitalised Scottish National Party and a trade union movement in which the extreme Left has gained ground. It is possible that if it had calculated these

costs in advance, the Government would still have decided to go ahead—but in that case why did it not act last October when all these costs might have been somewhat lower?

In this unhappy tale all actors have behaved very much according to character. Labn started with eager superficiality and declined into muddled, well-meaning, subterfuge. T. Conservatives started with kind of naive hard-headedness, had an access of conscience, stricken fright and then relapsed into muddled, if we meaning, insensitively. But they are not, in fact, the only ones to blame. The country as a whole has not faced up to a lot of the issues involved—notably the real implications of regional policy.

How much weight should be given to arguments which say that it is wrong to spend unbridled work to a Scottish playlayer instead of allowing market forces to unpeel him the South or even to Gornau? Do we really believe in the union of England and Scotland—and if so why? How should we choose the growth path for new industry—on social or economic grounds? The humn need of Clydeside cries out for vast public works, massive training, huge incentives, new industry; and I am incline myself, to think that this should be met. But I doubt whether the great mass of British public thinks so, whether, even if it did, the Government is in the mood to go more than halfway.

Clearly, both the Labour and Conservative Cabinets have made terrible errors of judgment and presentation and the Labour errors must surely be judged as, if anything, more fundamental than the Conservative ones, if only because they preceded them.

Unprepared

The next three months must have been extremely unpleasant for him as he tried to reconcile the familiar industrial doctrines of Mr. Heath with the realities of the situation. Prolonged subsidy of a non-viable enterprise (à la Benn) was ruled out by the "lame duck" dogma, but then the collapse of UCS was an obviously horrific prospect, both in political and human terms. The only course left, therefore, was to try and convince oneself that UCS could be made profitable.

AT LEAST TWO major companies are believed to have indicated that they will not sign the Confederation of British Industry undertaking to keep prices rises in the 12 months to July 31 next year below a 5 per cent. ceiling. Both are thought to be house-hold names. Despite that, however, support for the CBI initiative was claimed yesterday by the Confederation to be "absolutely massive."

No formal statement on the numbers responding to the prices pledge plea is to be issued by the CBI till next week, even though the 200 large companies asked to commit themselves were requested to return signed undertakings by today.

Confident

Holidays and the need to obtain formal Board approval in some cases are being blamed for the delay, which is making the collection of signatures taking longer than expected.

Nonetheless, the CBI stressed, there had been no backsliding among members consulted before the scheme was completed. "We are absolutely confident that the support we had then is being maintained," it declared.

Similar companies which have been asked to follow the same policy without necessarily signing the undertaking, had also responded well.

The number of outright refusals was expected to be not a handful.

Telephone Rentals yesterday became the latest company to announce publicly that it had signed the undertaking.

Two 'not signing CBI pledge'

BY DAVID WALKER

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Labour News

Rail pay claim likely in few weeks

BY ROY ROGERS, LABOUR STAFF

BRITAIN'S biggest rail union, the 190,000-strong National Union of Railwaymen, is to decide in a few weeks' time whether to push for an early substantial pay claim just three months after receiving an 8.11 per cent deal.

It seems likely that the "substantial" claim agreed upon at the union's recent annual conference will be lodged with a view to setting an implementation date considerably in advance of next May, when the current deal is due to expire. The footplate men's union, ASLEF, has already lodged a "substantial" pay claim with British Rail.

Furious

The rise in the cost of living since the current deal was negotiated in March, and the outcome of next week's meeting of public sector unions who are all furious at the Government's successful attempts to limit the size of public sector pay settlements, will both influence the NUR executive's decision.

Yesterday a special meeting of the NUR executive, arranged at the time of the last pay deal to discuss the effects of the rising cost of living, decided to refer the matter to the union's negotiating committee who will report back to the quarterly executive meeting in a few weeks.

Swan Hunter strikers to discuss stoppage to-day

BY OUR OWN CORRESPONDENT

NIE 2,600 ancillary workers, those four-day-old strike have found the Swan Hunter shipbuilding yards on the Tyne and another of 700 men idle, will meet to-morrow to decide whether or not to call off their stoppages.

Almost at the same time 600 stewards representing 3,850 others in the consortium—those are now laid-off because of ancillary workers' dispute—will meet only a short distance away to hear a progress report on pay talks which have been going on with the management for nearly three months.

The shop stewards will decide whether further negotiations are required or whether they can report to a mass meeting of the hauliers. Such a meeting is already planned for Monday, but it could be postponed for a few days.

The hauliers have been demanding an extra £2 a week to restore their traditional position as the consortium's top-paid craftsmen, which they lost when other grades caught up with them as a result of new pay awards.

Demand rejected

Swan Hunter flatly rejected the demand through the entire range of negotiating procedure, and at the end of June the talks turned to improving bonuses as

An NUR spokesman said after yesterday's meeting that it was estimated that the cost of living will have risen by 14.2 per cent in the lifetime of the current 8.11 per cent pay deal if the cost of living continues to rise at its present level.

He also told of BR claims that its financial position was worsening due mainly to the cut down on the movement of coal and steel, caused by the mild winter and the reduced production in many industries, and the loss of revenue due to the high unemployment situation. It was estimated that £1m. was lost by unemployed not being able to take holidays this year.

Once again anxiety was expressed that BR might back the CBI's price restraint policy to the detriment of railmen's pay and jobs. The NUR was not prepared to co-operate with economies if the management was prepared to shop back on the means of paying higher wages—increased fares and charges.

The Government is keen to ensure that pay deals last at least 12 months and will no doubt keep a wary eye on the situation although it may find encouragement in the fact that last year's NUR claim, although drawn up at the July conference, was not lodged until December, with final agreement not being reached until the April.

Make Leyland cars perfect—Lord Stokes

BY OUR OWN CORRESPONDENT

SOME of the boiler-makers are still demanding the £2 rise, but the current discussions with the management have been concerned solely with bonus payments.

When they last met, at the beginning of July, the boiler-makers threatened to terminate productivity clauses on their present agreement if their negotiators had no satisfactory proposals to put forward at the meeting planned for Monday.

Lord Stokes yesterday appealed to British Leyland workers to make their cars as perfect as possible to beat foreign competition.

He said foreign imports had risen to substantial proportions, one car in five now being sold in Britain being foreign. The best way to get people to buy British cars was to make them as perfect as humanly possible when they left the factories.

Writing in the company's magazine, The Austin Morris Express, he pointed out that without co-operation the jobs of many employees would be at risk. More Labour News Page 17

CEGB places major contracts for £215m. power giant

BY HAROLD BOLTER, INDUSTRIAL CORRESPONDENT

THE CENTRAL Electricity Generating Board has placed the major contracts for the construction of a £215m. power station on the Isle of Grain, Kent, thought to be the largest in the world at 3,300 MW.

At the same time it announced important plans for speeding up the development and preventing the labour disputes which have led to low productivity in the past and helped to throw the CEGB's overall building programme about 18 months behind schedule.

New contract procedures to be used on the Isle of Grain site are likely to form the basis for the construction of subsequent conventional power stations. By using fewer contractors it is hoped to cut out the discrepancies in working conditions and take-home pay between similarly skilled men on different parts of the site which have led to strikes in the past.

Turbines

English Electric-AEI Turbine Generators, a member of GEC Power Engineering, has been awarded a £45m. contract for the five 660 MW turbine generators to be used at the station and Babcock and Wilcox (Operations) the boiler contract, valued at about £37m.

A further £50m. contract will be placed with English Electric-AEI for the on-site erection of the generators and a £20m. contract will be awarded to Babcock and Wilcox for plant erection.

The Isle of Grain contract represents the biggest single order for turbo-generating equipment placed with English Electric-AEI Turbine Generators and takes its order book up to £150m.

A £10m. contract has been placed with the British Steel Corporation for the supply and erection of the station's structural steelwork and John Laing Construction has been chosen to carry out all the civil engineering and building work, which will have a total value of about £33m.

The station is due to start producing power towards the end of 1975. It is needed to meet the expanding demands for electricity in South-East England.

Under the new CEGB system of contracting for power station construction overall supervision of site erection work will be entrusted to only five main contractors.

Two of these will be responsible for mechanical plant erection (Babcock and Wilcox and English Electric-AEI), one for steelwork (BSC), one for electrical work (yet to be decided) and the fifth for civil engineering (Laing.)

The new arrangements will substantially reduce the number of contractors engaged on site erection work. In previous power station projects up to 100 companies have carried out this work.

Instead of having to co-

ordinate the activities of many on-site contractors, the CEGB's site manager at the Isle of Grain will work with the five main contractors' managers as a management group. The development will employ a peak labour force of 2,500.

Apart from site disputes caused by different companies providing different work and pay conditions for workers with similar skills, new problems have been posed for the CEGB and suppliers since the early 1960s by the size and complexity of the power station construction programme. This has also led to delays.

But the CEGB yesterday claimed that it was catching up fast with its back-log of plant construction.

Record

In the calendar year 1970 the Board commissioned a record 4,500 MW of plant and it aims to commission a further 4,500 MW this year.

The Isle of Grain project will be the first major scheme in which Mr. David Marshall, appointed this year to the post of industrial relations adviser within the CEGB's newly-created generation development and construction division, has played a part.

Mr. Marshall's appointment in April this year was described as a major feature of the Board's effort to improve labour relations, productivity and efficiency on power station construction sites.

NATO envoys' counter-offer on Malta facilities

BY OUR OWN CORRESPONDENT

TWO SPECIAL NATO envoys flew to Malta to-day to present the Permanent Council's counter-offer to Mr. Dom Mintoff, the Maltese Premier, in answer to his demand for £30m. for the renting of air, sea and ground military facilities.

The NATO representatives, so far unnamed, are said to have arrived here following an urgent request from Mr. Mintoff, who yesterday held a five-hour meeting with the Libyan leader, President Ghaddafi, in Tripoli.

The two envoys are expected to tell Mr. Mintoff that the price put on the renting of Maltese military bases is excessive. Secondly, under no circumstances is NATO prepared to consider renting some Maltese bases while others are offered to another—probably a hostile—block or country.

Libyan figure

In reply, according to authoritative sources, Mr. Mintoff will insist that the price his Government is demanding is considered realistic by military strategists in Europe who have advised him on this issue—particularly during his days in opposition.

What is more, unless NATO's and Britain's counter-offer is a serious one coming close to the £30m. a year he has suggested, the Malta Government is ready to enter into an economic agreement with Libya with all the hazards that could present to the NATO Alliance.

According to some reports Mr. Mintoff was yesterday offered a £100m. economic aid accord by the Libyan President, to be spread over a ten-year period.

The unwritten condition will be for Mr. Mintoff to continue toeing a neutralist line, which would push Britain and NATO out of Malta.

Mr. Mintoff, it is suggested, urgently called the British Government and the NATO Secretariat, demanding they quickly make up their minds while he considers the Ghaddafi offer. Mr. Mintoff will not make his own decisions before every prospect of a settlement has been fully explored.

His hand in the current negotiations is being strengthened daily now that Libya seems about to exert pressure for an aid agreement.

The Maltese Premier, however, fully realises that making Malta totally dependent on Libyan aid would be a dangerous move which would be strongly opposed here.

He would gladly come to terms, according to his aides, with Britain, NATO and Libya making separate contributions.

According to reports the Maltese Premier has in mind £2m. grants from Britain, and other £13m. from NATO, and £10m. from Libya.

NATO belief

Our Brussels correspondent adds: NATO sources indicate that some of the less reluctant allies have come up with an initial offer that has been quantified.

acceptable to him. It is also emphasised that allied consultations on Malta will, in fact, continue during coming weeks.

Only a handful of allies are prepared to contribute, in any event. The northern allies, and in particular Norway and Denmark, are not very concerned about NATO's fate in the Mediterranean island and they see the whole military situation in the area as primarily an offshoot of the Arab-Israeli conflict. Even Italy does not appear to be prepared to pay out more to a Maltese Government that is unpredictable and hostile to the Alliance than she paid to the previous Maltese Government that was very much pro-NATO.

Dr. Rait Dahrendorf, the European Commission's responsible for foreign trade, left Valletta to-day after long talks with Mr. Mintoff about Malta's association agreement with the Common Market. Mr. Mintoff is understood to be pushing for an arrangement that would lead to full membership of the Community, as opposed to the existing agreement which will lead progressively to a customs union at the end of 10 years. The association agreement came into effect on April 1 this year.

£14m. NCB PIT IMPROVEMENT

The National Coal Board yesterday gave the go-ahead for work to start soon on a £14m. improvement scheme at Sileghdale Colliery, Newcastle, Staffordshire. Aimed at increasing the pit's output to 750,000 tons a year, the work will take about three years.

After two centuries, we still haven't made the headlines.

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SURVEYS NEXT WEEK

World of Medicine . . . Tuesday, August 10
Mexico . . . Wednesday, August 11
Soft Drinks . . . Friday, August 13

INTERNATIONAL COMPANY NEWS + EURO MARKETS

\$100m. multi-currency credit for Goodyear

THE GOODYEAR Tyre and Rubber Company, of Akron, Ohio, and Manufacturers Hanover, have announced that a syndicate of 32 banks has signed a credit agreement with Goodyear that will provide it with a \$100m. multi-currency revolving credit.

The credit will be available in London in dollars and other freely convertible currencies. The proceeds will be used for Goodyear's general corporate purposes on a world-wide basis.

The 32 banks in the syndicate are from Canada, the U.K., France, Germany, Luxembourg, The Netherlands, Switzerland and the U.S.

Goodyear, one of the world's largest producers of rubber products, is primarily engaged in the manufacture and sale of motor vehicle tyres, tubes and other related products. In 1970, consolidated worldwide sales amounted to just under \$3,000m. Net income in that period was \$128.2m, of which \$55.4m was contributed by foreign subsidiaries.

For the six months ending June 30, 1971, consolidated sales were an all-time record of \$1,783.8m, while after-tax earnings of \$80.4m were the highest for any initial

BAHRAIN BUYS ICE PLANT FOR JUMBO TRADE

AN ORDER for a \$50,000 dry ice plant has been placed with Iron Gate Company, of New York, by Ahmadi Industries here. The dry ice is needed to fulfil the requirements of the jumbo jets which are expected to arrive here in increasing numbers by the end of this year. It is understood that Qantas has already placed an order for 2,000 lbs of dry ice weekly after the plant comes into operation next December.

● TOYOTA MOTOR SALES COMPANY, Ltd., announced that Toyota Motor Company, said after-tax profit in the half-year ending September 30 will probably rise to over Yen 5,000m, from Yen 4,570m. In previous six months, total sales are likely to rise to Yen 550,000m, from Yen 488,000m.

Leasco earnings up sharply

By Jurek March

NEW YORK, August 5. LEASCO Data Processing to-day reported sharply increased earnings in the third quarter of its financial year. Leasco, which has had its problems of late, said that in the three months ending June 30, it had an operating profit of \$1.7m, or 47 cents a share, up from the \$2.8m, or 17 cents a share in the same period last year. Leasco's total profit, operating income plus other income, came to \$3.1m, (30 cents a share) compared with \$1.2m, (seven cents a share).

In the nine months of its fiscal year so far, net income has amounted to \$28.5m, or \$1.67 a share, including extraordinary gain equivalent to 15 cents a share. In the 1970 fiscal year net income was only \$8.08m, or 54 cents a share, after an extraordinary charge of over \$7m. Results for the year 1970 have been re-stated to reflect changes in the methods of accounting.

The increase in revenues this year is nothing like as dramatic as the increase in profits. In the third quarter, total revenues came to \$148.47m, up from \$136.7m. In the year, and over the nine months to \$437.7m, from \$391.46m. Nevertheless, Wall Street was sufficiently impressed by the general figures for Leasco to be a leading stock in this morning's advance, with the share price quickly putting on more than \$1.

Major foreign banks to set-up in Singapore

BY OUR OWN CORRESPONDENT SINGAPORE, August 5.

SINGAPORE'S role as an important regional financial centre was enhanced to-day by the Government's approval for the establishment here of branches of six foreign banks.

These are Banca Commerciale Italiana, Banque Nationale de Paris, the Deutsche-Asiatische Bank, the Deutsche Asien-Pazifik Bank, Pakistan's Habib Bank and Swiss National Bank.

In a statement, the Monetary Authority of Singapore said "it is anticipated that all the banks named will be in a position to commence banking business within the next six months. Apart from certain restrictions relating to the collection of domestic deposits, these banks will offer normal banking services, although particular emphasis will be given towards promoting international banking activities."

The Monetary Authority added that the emphasis on promoting international banking activities was in line with the Government's recent call for Singapore to become the money market of south-east Asia.

Sources said the six concerns were also likely to be encouraged to take part in the growing Asian dollar market.

Bank of China branches transferred to Pakistan

BY OUR OWN CORRESPONDENT KARACHI, August 5.

CHINA has agreed to transfer to Pakistan the ownership of two branches of the Bank of China situated in Karachi and Chittagong. An agreement exchanging letters of transfer between the two Governments was signed at a brief ceremony at the Foreign Office in Islamabad this morning.

Chinese Ambassador Chang Tung and Pakistan Foreign Secretary Khan initiated documents on behalf of their respective Governments. The transfer of these two branches is officially interpreted as a significant gesture of friendship to Pakistan and an appreciation by the Chinese of the role played by the State Bank of Pakistan in promoting trade relations between the two countries.

With the transfer of these two branches to the Pakistan Government, all Chinese accounts will henceforth be operated through Pakistani banks. The present exchange of letters is to be followed up by protocol between the Bank of China and the National Bank of Pakistan in which financial and administrative details will be spelt out.

● GENERAL DYNAMICS CORPORATION said net earnings rose to \$3.99m, (equal to 38 cents a share) in the second quarter from \$3.68m, (33 cents) in the same 1970 period on lower sales of \$485m. (1970 net profit fell to \$3.5m, (31 cents) in the first six months of the year on sales of \$1.51m. (144¢) in the same 1970 period on sales of \$949m. (\$1.61m.).

● AUSTRALIAN FEDERAL TREASURER said proceeds of Australia's first loan in European Union of Australia will be used to help Queensland to finance payments on the purchase of Boeing 747 jets. Loan is for 15m. ECU's equivalent to \$15m, and will have an interest coupon of 8 per cent. It matures in 1984, but repayments will begin in 1973.

● ICIANZ and Le Nickel (Australia) Exploration Pty have concluded a joint venture agreement to search for base metals in Northern Queensland and the Northern Territory. Both companies currently prospecting areas held by wholly-owned Le Nickel subsidiary Mining Pty. Ltd. in the Chillagoe area, Northern Queensland, and by Le Nickel in the Andean Basin south west of Alice Springs, Northern Territory.

● NORTHWESTERN MUTUAL LIFE MORTGAGE AND REALTY INVESTORS, newly-formed real estate investment trust based in Boston, Mass., has been listed on the New York Stock Exchange.

The trust's shares of beneficial interest and 6 per cent convertible subordinated debentures were assigned ticker symbol "NML".

● BASS REDUCES STAKE IN GREENE KING. Bass Charrington has reduced by just over 3 per cent its holding in Greene King and Sons, Bury St. Edmunds brewers, and now controls about 8 per cent of the shares.

Bass sold 63,000 shares because, said chairman Mr. Alan Walker, "we could get a good high price." At last night's closing price of 47p, the shares sold for about 228,500 and Bass's remaining stake has a value in the region of £700,000.

The prices of all medium-sized breweries—Greene King—has about 950 outlets in Suffolk—have been inflated on bid hopes following the big battle surrounding the takeover of Greene King.

But, by reducing its stake to under 10 per cent, Bass gets more flexibility in its treatment of the company, and is no longer obliged to report to Greene King any share-dealing activity, unless it buys shares to take it above the 10 per cent level once again.

Any bid for Greene King would almost certainly have to get the backing of the directors as they are believed to control as much as 45 per cent of the issued capital.

● FLUIDRIVE "NO". The Board of Fluidrive has come out against the offer made by Wellman Engineering Corporation, a letter to shareholders. Fluidrive chairman, Mr. J. Raymond, says the directors have concluded that holders would not benefit from the acquisition of Fluidrive by Wellman, and that the proposed offer in any event substantially undervalues Fluidrive. The Board's view is fully endorsed by financial advisers, Kleinwort Benson.

● COMMON BROTHERS ACQUISITION. Common Brothers, Newcastle-upon-Tyne shipowners and ship managers, is to acquire the shares in Shipcraft Agency Inc. New York, and Shipcraft Agency, Jamaica, at present held by interests represented by Mr. Arne Larsson. The companies will become wholly-owned subsidiaries when the negotiations are completed.

This development will complete the rationalisation programme under which the operations of Common Brothers' wholly-owned subsidiary—Caribbean Trailer Express—have been transferred to the parent. Shipcraft will operate as the agency for Caribbean Trailer.

● SMITH HOLDINGS. The chairman of Smith Holdings (Whitworth), Mr. J. Walsh, has written to shareholders informing them of the possibility of a reverse takeover approach from Hawick International, a privately unquoted company.

While the Board does not object to the possibility in principle, it

EURODOLLAR BOND MARKET Secondary sector suffering

BY WILLIAM F. LOW

THE RENEWED uncertainty over the fate of the dollar in the latest in a series of events which have combined to confront the Eurodollar bond market with probably the most serious crisis in its short (seven years) life.

Indeed, some bankers believe the market, which is arguably the largest capital market outside the U.S., is now on the brink of total collapse.

In the last few days, prices of dollar bonds have fallen over a wide front by an average of four or more percentage points and the Bondtrade indices for medium and long-term straight-debt issues are now at their respective "lows" for the year.

Traders report that buying interest is almost non-existent while many investors are cutting their losses and selling large quantities of bonds.

Crisis are not new to the Eurodollar bond market. Apart from the various currency upheavals which have affected the market since 1967, internal tensions have caused equally serious problems. One of the most frequent of these self-generated difficulties is when too many issues come to the market at the same time, resulting in a severe bout of indigestion. This week, for example, a total of \$105m. of new straight loans have been announced—an amount some operators consider is too large for the market to absorb without difficulty.

● RUMOURS. Ever since the announcement by Bondtrade, the secondary sector has been buzzing with rumours as to who would follow Bondtrade's example. It was even suggested that Bondtrade would discontinue its market-making operations in straight bonds, despite firm denials from Bondtrade itself. In fact, the truth is that Bondtrade is expanding its activity in straight bonds.

The real significance of the Bondtrade move for the rest of the market is that it presents an opportunity for other traders to re-examine their own position. One well-known Eurobond operator said that the time has come for the professional market to take a "long hard look" at its profitability.

"Bondtrade," he continued, "one of the most powerful

houses in our market, found that the return on capital in convertibles simply did not justify continuing in that sector. Unless other operators take heed now of this fact, the future viability of our market could well be in jeopardy."

He went on to say that it is "ludicrous" to suppose that the tiny spreads presently being quoted in straight and convertible bonds—in a market almost totally devoid of retail interest—can be profitable for traders. He added that it was significant that in New York, where the market is very much wider, quotations in very similar convertible bonds.

Comment

"It seems odd," he commented, "that the European trading fraternity should think they know better than a distance of 3,000 miles."

This viewpoint, however, does not find favour with some other Eurobond operators. Armin J. Mattie, Bondtrade's chief trader, not only states that the Bondtrade decision was unrelated to the profitability aspect, but also maintains that quoting wider spreads is "dangerous" because it will lead to even more violent fluctuations. Mattie suggests that instead of wider margins traders should employ more capital and special blocks should be more carefully negotiated.

These opposing comments by two of the market's most respected operators illustrate the division which exists among traders on how to maintain continuity in the market. But all agree that continuity must be maintained; the problem is how.

A solution, or solutions, must be found soon, otherwise the Eurodollar bond market—the only free international capital market—could well suffer a permanent decline.

Fragility

An even greater problem, however, concerns the fragility of the secondary market. Although the value of new issues has increased by over \$4,000m. in the last two or three years, the number of issues has actually declined. In basic terms, this means that the investor in Eurodollar bonds to-day finds it more

Salamander reports loss for 1970

By Malcolm Rutherford

BONN, August 5. SALAMANDER, West Europe's largest shoe company, made a loss last year of Dm38,000 after profits in 1969 of more than Dm2m.

Rather than pass over a dividend altogether, the company is paying a 4 per cent dividend on reserves. A perceptible improvement in results is forecast for 1971 after the completion of rationalisation measures.

The loss was achieved despite a small rise in turnover, which for the parent company rose by 24 per cent to Dm34.8m. Turnover in the first six months of 1971 is said to have developed satisfactorily.

● BRITISH VITA IN SOUTH AFRICA. British Vita, Manchester-based polymer product group, has strengthened its international position by the purchase of the land, buildings, plant, equipment and trading stock, valued at £215,000 sterling, of the AA Plastics Chemical Co. (Pty.) of South Africa.

Consideration is £250,000 sterling in cash, of which £70,000 is payable on completion and the balance of £180,000 by instalments over three years, free of interest.

The plant and machinery consists of extruding plant for simulated leather cloths and other coated fabrics similar to those being produced in the U.K. by the fabrics and fibres division of British Vita.

Mr. A. E. Harrison, chairman of British Vita International, said: "Although the plant is absolutely new, it has never been run commercially due to the lack of technical expertise. A team of our top technologists and engineers has been in South Africa for the past eight weeks studying the plant, and British Vita is now supplying the necessary technology to make the operation a profitable one."

The transaction considerably extends British Vita's manufacturing operations in South Africa, where it already has plants at Johannesburg, Durban, and Cape Town, making polyurethane and polyester foams.

● L. NOEL EXPANSION. L. Noel and Sons, manufacturers and importers of cocktail cherries and other speciality foods, has acquired Pannett and Neden, herb and spice business, both companies are over 100 years old.

Mr. R. E. Miles, chairman of Noel, said: "We shall retain the name of Pannett and Neden and production will continue at its Wandsworth factory."

Two partners of the company, Mr. S. R. Neden and Mr. F. Lehmann are to continue as consultants. Noel and Sons is a member of the Fitch Lovell food group.

● OXFORD THEATRE. Howard and Wyndham's offer for Oxford Theatre Company has been declared unconditional, having been accepted by over 90 per cent. It is extended to August 23.

● MONTFORT. Montfort (Killing Hill) says its letter giving reasons for the rejection of the offer from Redcliffe Hosiery (Halifax) will be posted on August 9. An interim dividend, together with the unadvised profit for the half-year to June 30, 1971, will be announced on the same day.

● EARNINGS FALL AT RIO ALGOM. Net earnings—\$5.13m. (22.08m.) for the first half of the year compared with \$8.76m. in the same period of 1970, are reported by Rio Algom, the 51 per cent-owned Canadian subsidiary of the Rio Tinto-Zinc group. Earnings per share have fallen to 39 cents from 68 cents with sales down 10 per cent to \$83.5m.

It is pointed out that the com-

SELECTED EURODOLLAR BOND PRICES

MID-DAY INDICATIONS

Issue	Price	Issue	Price
Oilwell 5 1/2% 1983	100 1/2	Shell 5 1/2% 1983	100 1/2
Quadrant 5 1/2% 1983	100 1/2	Union Carbide 5 1/2% 1983	100 1/2
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Quadrant 5 1/2% 1983	100 1/2	Union Carbide 5 1/2% 1983	100 1/2
Quadrant 5 1/2% 1983	100 1/2	Union Carbide 5 1/2% 1983	100 1/2

Source: White Weld Securities.

IN BRIEF

Europe

● AUTOMOBILES PEUGEOT. Peugeot SA, said 1971 first half after-tax turnover rose to Frs.3,266m, from Frs.2,835m. In the same 1970 period, Peugeot SA dividend, and other revenues rose to Frs.48m, from Frs.35m.

● LE MATERIEL TELEPHONIQUE (LMT), French subsidiary of International Telephone and Telegraph Corporation, said 1971 first half after-tax turnover rose to Frs.349m, from Frs.317m. In the same 1970 period, turnover rose to Frs.349m, from Frs.317m.

● AUTOMOBILES R. BERLIET. Berliet, French subsidiary of Citroen, said 1971 first half turnover after tax rose to Frs.1,078m, from Frs.908m.

● RIGONI POULENC said 1971 first-half turnover rose to Frs.1,918m, from Frs.2,512m. In the same period last year, the company said dividends fell irregularly, and a true comparison is not available.

● QUELLE, the Austrian subsidiary of the W. German chain store and mail order concern, is to open two more stores in Klagenfurt and Linz, in addition to the 16 stores already operated by the group. Turnover last year rose by 9 per cent, to Sch.1,500m. (about £25m.) with mail order business accounting for 33 per cent of the total. Sales this year are expected

to rise by 12 per cent, and the Austrian business amounts to 10 per cent, of Quelle's total turnover.

● CIE GENERALE DES ETS MICHELIN (Michelin et Cie), said 1971 first-half portfolio revenues rose to Frs.119.2m, from Frs.109.1m.

● GALERIES LAFAYETTE said 1971 first half sales rose to Frs.257m, slightly up from 256m. In the same 1970 period, sales rose to Frs.257m, slightly up from 256m.

● CIMENT LAFARGE said 1971 first half turnover, after tax, slipped to Frs.326m, from 338m. In the same 1970 period, turnover rose to Frs.326m, from 338m.

● STE. MINIERE ET METAL LURIQUE DE PENARROYA, a French subsidiary, said 1971 first-half turnover, after tax, dropped to Frs.410m, from 410m. In the same 1970 period, turnover rose to Frs.410m, from 410m.

● FRISCO-FINDUS said it agreed to purchase the Alemagna, a Swiss ice cream subsidiary of the Italian company Alemagna SPA. Frisco-Findus is a joint venture of Nestle Alimentana and Roco Conserven, and operates in the ice cream sector.

● J. WALTER THOMPSON COMPANY declared quarterly dividend of 25 cents per share on common shares of the company, payable November 19, 1971, to

shareholders of record at the close of business October 22, 1971.

● INTERNATIONAL FLAVORS & FRAGRANCES INC. announced an increase in consolidated net income for the second quarter of 1971 of 9.2 per cent, on sales increase of 5.6 per cent. Net income for the 1971 second quarter was \$4.8m, and sales were \$25.6m. Net income for first six months of 1971 was \$8.1m, an increase of 8.3 per cent, over 1970. This is equivalent to 70 cents per share, compared with 66 cents per share for the first six months of 1970.

● NALCO CHEMICAL COMPANY reported second quarter earnings of 37 per cent, higher than a year ago on a 14 per cent increase in sales. Earnings for the second quarter were \$4.6m, or 45 cents a share, compared with \$3.26m, or 33 cents a share, in the second quarter of a year ago. Sales for the quarter were \$48.9m, which compares with sales of \$42.8m. In the corresponding quarter of last year.

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Any bid for Greene King would almost certainly have to get the backing of the directors as they are believed to control as much as 45 per cent of the issued capital.

BIDS AND DEALS

Record profit for Raybeck

Raybeck, women's and girls' clothes retailers and manufacturers, announce a record pre-tax profit of £1,435,000 for the year ended April 30, 1971.

Contained in the formal takeover document for Raybeck's latest £800,000 acquisition, Werf Bros., the profit, which is subject to audit, compares with £1,310,000 for the previous year.

Raybeck chairman, Mr. Ben Raven, says these profits have been achieved despite the adverse effect of the seven-cent postal strike of the group's largest manufacturing companies, which include major mail order houses among their biggest customers.

Details of the latest Werf acquisition, which includes 23 dress shops, brings the Raybeck group total retail outlets up to 200—show that on the basis of unaudited accounts Werf made a 254 per cent increase in pre-tax profit for the year ended June 30, 1971, and a substantial increase is expected in the current year.

● NO WESTMINSTER TRUST FORMAL OFFER THIS WEEK. The formal offer from Land Securities Investment Trust for Westminster Investment Trust for January 15, 1971, including a pre-tax revenue of £1,711,116.

Net asset value per 25p Ordinary share was 101p 18p at January 15, 1971. No provision has been made for any liability to tax on capital gains which may arise on future realisations.

Net asset value per share assuming full conversion of convertible loan stock was 101p 18p.

As known, the interim dividend is raised from 0.625p to 1p per share to reduce disparity with the final. The total for the year to January 15, 1971, was 2,275p from pre-tax revenue of £1,711,116.

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MINING NEWS

Union Corp. takes Cudgen holding

Following yesterday's report from our Australia Editor, Michael Southern, that there are rising hopes for the creditors of Union Corporation (Australia) that tenders have been received for the latter's portfolio by the liquidator, Mr. J. H. Jamison, it is announced that the Union Corporation group and associates has made a successful tender of \$12.3m. (£5.7m.) at \$1.65 per share for 59,633 per cent of the rubble and zircon producing Gidgen Hill.

The parent Union Corporation's stake in the transaction through Union Corporation (Australia) amounts to 6.24m. shares, or 49.9 per cent of Gidgen Hill. The balance of 53,393 per cent, of Consolidated Rutile, 8 per cent of which has also been acquired by Union Corporation (Australia) at a price of \$2.40 per share, which represents \$12.6m. for the 0.67m. shares involved.

● Rutile and zircon. Australia is the world's biggest producer of beach sand minerals which enjoy a good market. Rutile has a major role in the manufacture of titanium metal, which is needed in aerospace applications, while zircon has widespread uses in other high temperature fields, such as ceramics, and some 90 per cent of zirconium metal finds its way into alloy tubing in nuclear reactors.

Union Corporation thus enters the big league in this sphere with the Consolidated Gold Fields group which controls the world's largest beach sand mineral producer, Australia's Associated Minerals Consolidated. Bridging finance for the Union Corporation group deal has been arranged through Hambros Bank.

It is also disclosed that the successful tender for the Minsec holding of Aberystwyth is the Australian subsidiary of Canada's Cominco Mining Plant. Meanwhile, Mr. Jamison is "extremely hopeful" that Minsec Preference shareholders will "reconsider some thing" from the final liquidation and be also hopes to make a statement next week on the result of the important tender for the Minsec holding of 3.26m. shares in Robe River.

● EARNINGS FALL AT RIO ALGOM. Net earnings—\$5.13m. (22.08m.) for the first half of the year compared with \$8.76m. in the same period of 1970, are reported by Rio Algom, the 51 per cent-owned Canadian subsidiary of the Rio Tinto-Zinc group. Earnings per share have fallen to 39 cents from 68 cents with sales down 10 per cent to \$83.5m.

It is pointed out that the com-

pany's steel profits have been hit by the depressed demand for speciality steels coupled with extreme pressure from foreign competitors at a time of rising labour and raw material costs. In addition, the increased value of the Canadian dollar has had more adverse impact on earnings. The hoped-for improvement in steel conditions had not yet started.

Rio Algom's uranium profits have risen during the past year but the increase has been largely offset by lower income from copper operations. However, the \$10m. Lomax copper project in British Columbia is going ahead on schedule despite adverse weather conditions. A stake of over 50 per cent is held by Lomax which is due to start production in the second quarter of next year.

● DIFFICULTIES IN NEW CALEDONIA. Troubles continue at ambitious nickel developments in New Caledonia. Workers at the plant of France's Le Nickel are reported to have rejected an offer of a delayed implementation of the arbitration decision which they are prepared to return to work.

New York, International Nickel has denied reports that it has withdrawn from the huge Cominco nickel project in New Caledonia. But the company has added that the decision to go ahead with the project has been delayed by matters involving the approval of the French Government and essential to the implementation of the project which have not yet been resolved.

These include the final position of the French holding company and the definition of a negotiable mining domain in New Caledonia. According to Cominco, it has decided to reduce its activities and budget to the minimum required to continue negotiations over external obligations and safeguard its assets. Inco has a 40 per cent stake in the consortium.

● MINING BRIEFS. ASHANTI GOLDFIELDS—July. Total revenue—£4,500,000. Estimated profit for the year ended June 30, 1971, £1,800,000. Total estimated profit for the year ended June 30, 1971, £1,800,000. (Net period 1970/7

Banque de France circular offer still confusing market

ADRIAN DICKS

PARIS Foreign Exchange et had a very quiet day to bankers and dealers, for second day running, tried to keep the practical implications of the Banque de France's circular on Wednesday from being too obvious. The circular, which forbids banks from buying foreign currencies, is still causing confusion in the market.

It is evening many operators still uncertain how to draw the line between speculative transactions and those arising from commercial transactions. This morning, however, bankers had a meeting at the Banque de France in the absence of Mr. de Larosiere, governor.

Je de conduct

However, they emerged with a consensus that it will still be the banks themselves to show the circular is to be put into practice. At a second meeting late this afternoon, representatives of the banks were to work out a code of conduct and were considering other suggestions.

The situation of a "floor" of 500 below which they agree to risk on the speculative market or otherwise of a ban order.

Limited dealings to-day the market was at its ceiling of 5.5125 against the dollar. But operators' movements reported very quiet.

Few to-day were in the market for francs against the dollar. The market was certainly hard to see what was the logic of such a situation in which French banks are unable to borrow.

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falling to issue any explanation to the financial press until well after the event, the central bank had only itself to blame for yesterday's confusion—in which its own dealers on the market were said to be as much caught up as anyone else.

Officials, too, have not bided their exasperation that what was intended to be one more well-calculated step in the French Government campaign to head

reaches to the extent that you are sure that the francs handed over in exchange are intended to be used in the market.

Later the same day the Banque de France also issued the following brief communiqué:

"The Banque de France yesterday addressed to all banks a circular asking them to make certain that their overall external position in francs and foreign currencies should not undergo any deterioration by the end of August 31, 1971."

"This circular having given rise to wrong interpretations, it is recalled that this measure involves no restriction on foreign bank purchases involving payments made for the benefit of French residents, whether these be current transactions (trade or invisible) or capital movements."

"It is pointed out that the creation of a double exchange market is thus without any foundation."

It is now being claimed, however, that the object of the central bank's circular was to

off pressures for revaluation should have erupted into panic in European markets.

Now that the dust has settled, the outlines of M. Giscard d'Estaing's policy look no different, even though some people in the exchange market feel that by announcing major policy measures so thick and fast (one every day for the first three days of this week) he is risking diminishing returns in terms of credibility.

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PARIS, August 5.

keep non-resident franc holdings—which have more than doubled since the end of 1968—to their present level of around \$1,000m. out of a total volume of foreign exchange held by the banking system of about \$9,000m. The measure is said to have been under study, with the blessing of the Common Market Finance Ministers, since May, and it is pointed out that a precedent exists in Italy.

Thus the French Government is

reaches to the extent that you are sure that the francs handed over in exchange are intended to be used in the market.

Later the same day the Banque de France also issued the following brief communiqué:

"The Banque de France yesterday addressed to all banks a circular asking them to make certain that their overall external position in francs and foreign currencies should not undergo any deterioration by the end of August 31, 1971."

"This circular having given rise to wrong interpretations, it is recalled that this measure involves no restriction on foreign bank purchases involving payments made for the benefit of French residents, whether these be current transactions (trade or invisible) or capital movements."

"It is pointed out that the creation of a double exchange market is thus without any foundation."

It is now being claimed, however, that the object of the central bank's circular was to

off pressures for revaluation should have erupted into panic in European markets.

Now that the dust has settled, the outlines of M. Giscard d'Estaing's policy look no different, even though some people in the exchange market feel that by announcing major policy measures so thick and fast (one every day for the first three days of this week) he is risking diminishing returns in terms of credibility.

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DM higher against the dollar

FRANKFURT, August 5.

AS A RESULT of the latest French exchange restrictions the D-Mark today floated up to 2.4415 to the dollar on the German market, a quasi-revaluation of almost 6.4 per cent. The official mid-day fixing was DM3.4433, a 6.3 per cent. revaluation rate and a record high.

Following reports from Paris that the Banque de France had clarified yesterday's directive, indicating that the curbs were not as strict as first thought, the D-Mark eased slightly. Towards the close it firmed again when it appeared that French banks were still confused about their new obligations.

The shifting news from Paris also affected the "grey" market for non-commercial francs that developed early in the day. At one stage the franc was being quoted at 5.5050 to the dollar, 75 centimes above its official intervention point of 5.5125.

The clarification made by the Banque de France was taken here at first to mean a virtual reversion to normal exchange practice. As a result the "grey market" rapidly tailed off into virtually nothing.

The reaction of the Bundesbank to its colleagues' operations in Paris has been extremely calm. While the Economics and Finance Minister openly called the French action a step backwards towards the restriction of convertibility, the bank's vice-president said that he "understood" the measures.

Dr. Otmar Emminger added that if one limited the official foreign exchange market to normal commercial movements, one should think about what would happen to other types of exchange transaction. One must expect the move elsewhere, namely abroad, he said. He was expecting the French authorities to take steps to deal with this problem, but what they would do was an open question.

Meanwhile, the Bundesbank reported that West Germany had a balance of payments deficit on current account of DM80m. in the first six months of the year, compared with a DM689m. surplus in the first half of 1970.

The basic balance of payments (current account and long-term capital transactions combined) showed a surplus of DM1,407m. in the first half of 1971, compared with a deficit of DM4,396m. a year before.

In this position he may well seek the support of Mr. Barber, the Chancellor of the Exchequer, who is to pay one-day visit to Paris on September 7.

sticking closely to its policy of strict orthodoxy and to the "rules of the game." Nothing in its recent declarations indicates any real willingness to compromise with Bonn on the flexibility issue, although M. Giscard d'Estaing last week repeated his declaration made at Copenhagen last year that he would be willing to study the question of wider margins.

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APPOINTMENTS

Mr. Mangold is managing director of International Combustion (Hlgs.)

Mr. J. F. Mangold, deputy managing director of INTERNATIONAL COMBUSTION (HOLDINGS), has been appointed managing director. He succeeds Mr. H. W. Jackson whose resignation as deputy chairman and managing director and from the Board was reported on July 31.

Mr. Mangold has been managing director of International Combustion Ltd., the principal operating subsidiary, since October and was appointed deputy managing director of the holding company in April.

See *Meo and Matters* Page 12

Mr. Malcolm P. Parkes has joined the Board of N. CORAH (ST. MARGARET) with special responsibility for finance and administration. Mr. Malcolm P. Ross has been appointed company secretary.

Mr. W. Gordon Robertson has been elected chairman of FISONS CORPORATION, U.S. in succession to Professor D. T. Smith who remains on the Board.

Mr. R. C. Shaw has been appointed to the Board of DUVEN AND WALKER, insurance brokers.

Mr. P. E. Leslie, at present a BARCLAYS BANK DCO local director in the Bahamas and a member of the Bahamas Board, has been appointed an assistant managing director in London.

Mr. Gerald de Groot has been elected chairman of the MARKET

Light aviation show will be one of largest

By Ray Dafter

ORGANISERS of the Business and Light Aviation Show to be held at Cranfield between September 1 and 3 said yesterday that bookings for space indicated that the range of aircraft and equipment on show will be one of the largest assembled at a U.K. light aviation exhibition.

The largest aircraft on view will be those with third-level air-line or executive capacity, including the Britten-Norman Islander, the Short Skyvan, the Jetstream and the Yak-40. The European executive jets will be represented by the Hawker Siddeley 1255 and the Dassault Falcon.

Equipment exhibits will range from complete engines, avionics, simulators and headsets to such services as finance and flight documentation.

The show, organised by IFF—Life Exhibitions, is being sponsored by the magazine Flight International in association with the Business Aircraft Association, the British Light Aviation Centre, the Guild of Air Pilots and Air Navigators, and the Society of Licensed Aircraft Engineers and Technicians.

'Chill breeze running through Hollywood'

The Investors Chronicle this week includes a comprehensive feature on the present state of the film industry here and in America. A special correspondent on Wall Street sees a chill breeze of financial realism running through Hollywood, and the huge stages standing idle for most of the time could be the factor which will force the major studios into closer association.

Accompanying this article is an examination of the experiments in new methods of financing for British films which are being threatened by the Government's limitations on support for the National Film Finance Corporation.

Hot July hit TV viewing says BBC

BECAUSE July was hot and sunny, the average amount of TV viewing according to the BBC, fell to a low of 12 minutes a week on the Corporation's channels, against 7 hours 27 minutes in June. The watchers were divided in the ratio of 52 BBC and 48 ITV, a record of one point for the Corporation.

According to JICTAR (the Joint Industry Committee for TV Advertising Research, which uses a different method of research), 54 per cent of viewers watched TV in July, 39 per cent were tuned into BBC-1 and 7 per cent to BBC-2.

BANK RETURN

LABILITIES

ASSETS

ISSUE ORKMENT

LABILITIES

ASSETS



Mr. J. F. Mangold

RESEARCH SOCIETY. Mr. A. R. McIntosh has become vice chairman and Mr. G. J. Goodhart, honorary secretary and treasurer. New members elected to Council are Mr. W. Benjamin, Dr. S. F. Buck and Dr. T. I. McLaughlin.

Mr. W. J. Kilpatrick has been appointed chairman of KIRKLAND-WHITTAKER, foreign exchange and currency deposit brokers, in succession to Mr. D. H. Davis, who has resigned. Mr. P. C. Lane has been appointed managing director and Mr. R. Law appointed an additional director.

Mr. William C. Wahl, former managing director of General

Foods of Banbury, U.K., has been appointed a group vice president of the GENERAL FOODS CORPORATION and president of GENERAL FOODS INTERNATIONAL. He succeeds Mr. George Bremser Junr.

Mr. Thomas Dawson, deputy manager of the London, Drummonds branch of the ROYAL BANK OF SCOTLAND, has been appointed joint manager with Mr. James R. Cuthbertson.

Mr. J. Hollows has been appointed managing director of UNIT TOOL AND ENGINEERING COMPANY, part of the Spearhead Industrial Group which is an S. Pearson and Son division. He was previously general manager and a director, and succeeds Mr. R. P. Rogers, who has retired for health reasons.

The British Film Institute has appointed Mr. Stephen Wacsbuizen administrator of the BRITON FILM THEATRE.

ROGG ROBINSON AND GARDNER MOUNTAIN, a subsidiary of Staplegreen Insurance Holdings, has appointed Mr. Morris F. Abbott group managing director. He has also become chairman of the Credit Insurance Association and Mr. David A. Lishman has been appointed managing director of that company.

As a result of the acquisition of the company by Escher Wyss Mr. D. R. Ward and Mr. F. R.

Welsh, who represented Hadfields, have resigned from the Board of MILLSFAUGH.

Mr. Julius Edwards of British Petroleum has been elected chairman of the MIDDLE EAST ASSOCIATION. He succeeds Mr. Geoffrey Stow.

Mr. Hugh C. Newman has been elected a director of the WELLMAN INCANDESCENT FURNACE COMPANY. Mr. Newman is managing director of Wellman Gas Engineering.

Four alternate directors have also been appointed. They are: Mr. G. Adams, Mr. G. J. Young, Mr. D. Pritchard and Mr. H. J. Bryan.

Mr. D. H. Carter has been appointed to the Boards of STOTHERT AND PITT and its subsidiary, Torrance and Sons. He will also be chairman of Torrance and Sons.

Following the acquisition of WILLIAMS HUDSON by Adepton Mr. L. A. Simpson and Mr. A. C. Clark-Kennedy, the chairman and managing director, and vice-chairman and assistant managing director respectively, of the former company will remain on the Board on September 30. Both will also resign their other group directorships from the same date.

Mr. Christopher S. Gladstone, of J. Henry Schroder Warr and Co., has joined the Board of HARLAND AND WOLFF as a non-executive director.

INTERIM STATEMENT

BRITISH-AMERICAN TOBACCO COMPANY LIMITED

Interim Report Half Year to 31st March 1971

1. The results of the Group's operations for the half year ended 31st March 1971, which have not been audited, may be summarised as follows:—

	31.3.1970	Half Years to 30.9.1970 £ millions	31.3.1971
Group Turnover—			
Tobacco Products	742.96	813.07	815.32
Paper, Packaging and Printing	11.85	34.03	71.62
Perfumery and Cosmetics	22.32	16.14	24.14
Other Products and Services	11.68	16.40	16.11
	788.81	879.64	927.19
Duty and excise included in Tobacco Products Turnover	417.54	454.27	456.39
Group Trading Profit—			
Tobacco Products	64.66	80.94	75.71
Paper, Packaging and Printing	1.02	1.80	2.07
Perfumery and Cosmetics	.89	.15	.89
Other Products and Services	.77	(.78)	—
Total Group Trading Profit	67.34	82.11	78.67
Investment Income	8.26	10.00	7.90
	75.60	92.11	86.57
Interest Paid	3.33	4.59	7.04
Group Profit before taxation	72.27	87.52	79.53
Taxation	32.72	40.14	37.59
Group Profit after taxation	39.55	47.38	41.94
Attributable to Minority Shareholders in Subsidiaries	6.06	5.57	5.63
Group Net Profit attributable to BAT	33.49	41.81	36.31

The taxation charge comprises:—

	31.3.1970	Half Years to 30.9.1970 £ millions	31.3.1971
United Kingdom Taxation	3.11	1.47	.86
Overseas Taxation	30.54	39.52	37.63
	33.65	40.99	38.49

Less—

	31.3.1970	Half Years to 30.9.1970 £ millions	31.3.1971
Transitional Overspill Relief (Finance Act 1965 S.84)	.93	.85	.90
	32.72	40.14	37.59

2. The Board today declared a second interim dividend to be paid on 30th September next in respect of the year to 30th September

APPOINTMENTS

Hertfordshire £8,000+ FINANCIAL CONTROLLER

An expanding company which is engaged in design, manufacture and marketing of computer systems, wishes to appoint a financial controller. He will be responsible for formulating financial policy, developing up to date accounting and liquidity control systems, monitoring the results of operations and providing meaningful information to the Board and management at all levels, supported by an able team of young accountants.

Basic requirements

- * A qualified accountant, aged 40 to 50
- * At least 5 years' industrial or commercial experience at senior level
- * Leadership and administrative ability

A salary upwards of £8,000 will be offered together with pension, life assurance and car allowance and there are good prospects for further promotion.

Brief but comprehensive details of salary and career to date, which will be treated as strict confidence, should be sent to: **Human Resources Selection Division**.

Cooper Brothers & Co. Limited,
Management Consultants,
Abacus House, Outer Lane,
London, E.C.3.



BOUGHT TRANSFERS

Firm of stockbrokers require man aged 30/35 to take charge of their bought transfer department. Only men with considerable experience in this field need apply.

Salary £1800 p.a. plus L.V.'s, non-contributory pension scheme, good bonuses etc.

Apply Box A.2119, Financial Times, 10, Cannon Street, EC4P 4BY.

Retired Banker

Recently retired Bank Manager or senior Branch Inspector wanted immediately for short term (about 6 months) consultancy engagement.

Location: City of London.

Please write in the first instance, giving brief details of age, experience, appointment and final salary etc. to: R. W. Hogsdon, Ref. FT/4012, Whittles Recruitment Ltd, 72 Fleet St, London, EC4P 1JS stating any companies to whom your application should not be forwarded.

STOCKBROKERS

Old established and expanding firm of Stockbrokers require experienced Dividend Clerk, salary negotiable, bonus & L.Vs. Ring Manager, 638 8511

VALUATION CLERK required by medium sized stockbrokers. Apply box number 621212, Financial Times, 10, Cannon Street, EC4P 4BY.

PART TIME CASHIERS wanted. The Heron Service Station in the Finchley area. Offers a really first class job with lots of life and opportunity in a bright lively atmosphere at one of Britain's most modern service stations. Excellent conditions and full training given. Heron need good female cashiers age 18-35. Telephone the Manager 683-3029.

PART TIME REPRESENTATIVES required—all areas—minimum commission £25 per week—minimum selling £100 per week—phone essential. Kindly apply by letter, enclosing C.V. to: 19 Reddish Lane, Manchester, 18.

BUSINESS OPPORTUNITIES

BUILDING FINANCE The Southern Trust Ltd.

will advance up to 80% of the cost of land and building, £30,000 - £100,000 on approved residential developments. Prompt decisions.

THE SOUTHERN TRUST LTD.
Fairacre, Camdeo Park Road, Chislehurst, Kent.
01-467 3460 and 01-467 3602.

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If any of the following apply we may be able to assist:

- (1) Recurring Liquidity Difficulties.
- (2) Assets not fully utilized.
- (3) Expansion capital.

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ALBANY PARKSIDE LIMITED

01-629 6134

or write to us at:

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Well equipped and completely staffed Dublin based operation of an international data processing and business systems company. £15,000 p.a. net profit. Growth rate 30% p.a. - excellent offer. £40,000. Apply: **Progressive Business Services Ltd.**, Tel. 01-467 3460.

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Write Box B.5615, Financial Times, 10, Cannon Street, EC4P 4BY

MERCHANT BANK

(Property Department)

require to form an association with Commercial Property Agents able to introduce viable office and industrial development proposals in London and major provincial cities on equity sharing basis.

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offers Company for Sale, or Lease, as a going concern. FREEHOLD premises London Area. Turnover in excess of £100,000. Fully equipped with machinery for Trade Purpose. Would suit Large Building Company requiring own works. Reply to Box B.5625, Financial Times, 10, Cannon Street, EC4P 4BY

LIFE ASSURANCE COMPANY

Advertiser offers brand new, off-shore, sterling area life insurance company. Fully licensed and regulated. Excellent growth potential. A new view to joint life development. Reply in first instance to Box No. B.5622, Financial Times, 10, Cannon Street, EC4P 4BY

A BARGAIN LIMITED COMPANIES

Formation £35,000. Everside Ltd, London, E.C.1. 01-628 5434-5.

ADVERTISING

Partners wanted to expand marketing of new products. Excellent returns. Ring 01-629 4403.

GILSON KITCHEN—Golden Opportunity

Investment £7,500. Capital required £2,500. For sale or lease. Full training given. Reply to Box B.5623, Financial Times, 10, Cannon Street, EC4P 4BY

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£350,000 required for £500,000 property development. £100,000 cash. Reply to Box B.5623, Financial Times, 10, Cannon Street, EC4P 4BY

PROPERTY INVESTMENT IN SPAIN

Investors required to participate in a £750,000 property development in Spain. £100,000 cash. Reply to Box B.5623, Financial Times, 10, Cannon Street, EC4P 4BY

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Company Secretary

to strengthen the executive structure of a long established and successful company engaged in spinning and cloth manufacture. Turnover approaches £7M.

* THE role is to manage the secretarial and accounting functions and to maintain prompt financial information for management in line with current accounting developments.

* THE requirement is for a Chartered Accountant of boardroom potential with substantial experience managing financial controls in a textile manufacturing context. Experience of working environments in the North would be an advantage.

* PREFERRED age middle 40's. Salary of interest to those already earning at least £4,500. Car provided. Location West Riding.

Write in complete confidence

to A. Longland as adviser to the company.

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Financial Controller Germany

A substantial British manufacturing company, with expanding interests overseas, wishes to strengthen the management of its German market subsidiary by appointing an expatriate Financial Controller.

Applications are invited from British nationals who are qualified accountants, fluent in German, and in their twenties or early thirties. They should have had several years industrial or commercial accounting experience.

Location is near Düsseldorf. Remuneration will be of the order of £4,000 and paid locally. Accommodation and a car will be provided.

Please apply in the strictest confidence quoting reference number 1968 to Clive and Stokes, 14, Bolton Street, London, W1Y 8JL.

Clive & Stokes Appointments & Personnel Consultants

Stockbrokers in London Wall

have vacancies for staff with some experience in the following departments—Dividends, ledgers, transfers. Aged 18-25 male or female. These positions are permanent and pensionable and give scope for promotion to managerial level. Write stating age, experience, and present salary to Box A.2116, Financial Times, 10, Cannon Street, EC4P 4BY.

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WANTED A CHALLENGE IN U.S.A.
By energetic, self-motivated, experienced salesperson, with a proven track record in the U.S.A. and a proven ability to sell. Must be able to handle a large territory. Write to Box A.2122, Financial Times, 10, Cannon Street, EC4P 4BY.

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CHESHAM

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Only principals with well established overseas connections and a proven profit record need respond. Replies which will be treated in strict confidence should be addressed to: Box B.5618, Financial Times, 10, Cannon Street, EC4P 4BY

PLASTICS BUSINESS FOR SALE FOR CASH

- Specialist vacuum formers in plastics and other interests.
- Retirement anticipated but succession ensured
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with excellent property and business opportunities. Reply to Box B.5623, Financial Times, 10, Cannon Street, EC4P 4BY

COMPANY NOTICES

FAS INTERNATIONAL OVERSEAS CORP

(formerly Famous Schools Overseas Corp.)

U.S. \$10,000,000 5% per cent Guaranteed Bonds 1982 Guaranteed by and Convertible into the Common Stock of FAS International, Inc.
(formerly Famous Schools Overseas, Inc.)

NOTICE IS HEREBY GIVEN THAT a MEETING of the Holders for the time being of the above named Bonds for the time being outstanding will be held at 30, Gresham Street, London EC2P 2EB on 31st August, 1971, at 11 o'clock in the forenoon for the purpose of considering and, if thought fit, passing the following Resolutions:

1. THAT this Meeting of the Holders of 5% per cent Guaranteed Bonds 1982 of FAS International Overseas Corp. (formerly Famous Schools Overseas Corp.) hereby
2. appoints Mr. H. Beresford-Paine and Mr. P. S. Darling as a Committee generally to represent the interests of the Bondholders for the time being and to exercise all the powers conferred upon and exercisable by the Bondholders in general meeting, including without limitation the power—
- (1) to cause the acceleration of the maturity date of the Bonds to the event there is or has been a default under the Terms and Conditions thereof;
- (2) to institute and participate in legal proceedings of whatever nature in which the interests of the Bondholders may be involved or in any way affected;
- (3) to appoint sub-agents, including legal advisers;
- (4) to sanction and/or assent to any modification of the Terms and Conditions of the Bonds or the Guarantees or to any compromise or arrangements between the Bondholders and the Company or any other obligations or securities of the Company or any other company or body;
- (5) to reimburse itself for the reasonable costs and expenses incurred or to be incurred by or on behalf of the Committee;

and further, that the Committee's constitution, powers and proceedings will be governed by the rules hereby adopted, a copy of which has been laid on the table and signed by the Chairman of the Meeting, and b. approved reimbursement of all reasonable out of pocket expenses incurred since 1st June, 1971 or to be incurred hereafter by or on behalf of the Paying Agents or the convening Bondholders in protecting the interests of the Bondholders including without limitation convening and holding this meeting and any adjournment thereof.

11. THAT, subject to the occurrence of an event of default under the Terms and Conditions of said Bonds prior to the date of this meeting or any adjournment thereof, this meeting of the Holders of 5% per cent Guaranteed Bonds 1982 of FAS International Overseas Corp. (formerly Famous Schools Overseas, Inc.) hereby accelerates the maturity date of the said Bonds pursuant to the Terms and Conditions thereof and requests immediate repayment thereof.

Under the terms of the Bonds, Bondholders may not attend or vote at this Bondholders' Meeting except upon the presentation at the Meeting of either a Bond or Bonds or (ii) a bond deposit Certificate issued by the Guarantor and to the exchange of the Bonds or of conversion of the Bonds into bonds, notes or other obligations or securities of the Company or any other company or body.

Bondholders whose Bonds are presently in the custody of a bank or other institution which is not one of the above-named Banks should arrange to have their Bonds deposited with one of the above-named Banks and a bond deposit Certificate and Letter of Instruction to S. G. Warburg & Co. Limited.

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Signed LINCOLN & PAINES
for and on behalf of the Holders of the Bonds for the time being outstanding.

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PARLIAMENT



Charter flights code proposed

BY RAY DAFTER

MICHAEL NOBLE, Minister of Transport, told the Commons today that he was considering proposals for a code of practice covering group charter flights.

Mr. Noble said that the code would be aimed at ensuring that charter flights were operated in a safe and efficient manner, and that it would be based on the principles of the Civil Aviation Act 1960.

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Callaghan puts plan for a Council of All Ireland

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

MR. JAMES CALLAGHAN, Home Secretary, yesterday urged the establishment of a Council of All Ireland and that Irish Republic's Prime Minister Mr. Jack Lynch and Ulster Prime Minister Mr. Brian Faulkner should be invited to London without delay for discussions.

This controversial proposal, bitterly challenged from the Tory backbenches during a Commons debate on the critical situation in Ulster, was not taken up by the Government.

Mr. William Whitelaw, Leader of the House, assured MPs that the Government, working with Stormont, would do everything in its power to root out terrorism.

Deep sense

But Ministerial assurances failed to prevent acrimonious exchanges and the debate—ostensibly on the question of whether or not the House should adjourn until October 18 for the summer recess—occupied MPs until time was called and the motion to adjourn carried by 64 votes to 23.

In the bitter accusations that were hurled, Mr. Frank McNamara (Unionist, Fermanagh and S. Tyrone), accused the Army of terrorising and killing innocent civilians. The Rev. Ian Paisley (Prot. U. N. Antrim) demanded that the IRA be brought to book, condemned Mr. Callaghan's suggestion. Others demanded a ban on the August 12 March of Londoners' Apprentice Boys.

Mr. Callaghan said: "I don't think I have ever approached the Irish situation with as deep a sense of foreboding and impending tragedy as I do today."

It is clear the Government has, far from either to reconcile the minority or reassure the



CALLAGHAN... a deep sense of foreboding

majority, and it is because of this that the instrument for which we are primarily responsible, the Army, is faced with a worsening in its own position.

"They are being asked to carry responsibility for a situation which the politicians have failed to resolve."

Mr. Callaghan said any Council for All Ireland would have no legislative or administrative responsibility. "It should be formed from members of both Stormont and the Dail with a view to discussing problems of mutual concern to both the North and the South."

There was a psychological need and a rational use for saying it was time the two Parliaments of the North and South met together to discuss problems of mutual concern. This suggestion had been made 50 years ago but then the South refused to cooperate.

"Now I believe Ulster would be unwilling and the South would be for it."

Mr. Reginald Maudling, Home Secretary, said he agreed with those who said the IRA had declared war on the British Army. He also agreed that the IRA consisted of a small part of the Catholic community and that intimidation was being practised.

Secret society

Mr. McNamara said the Unionist Government had the solution—constitutionalists backed up by the guns and tanks of the British Army. But this had been shown to be a dismal failure. The British Government should undertake a review of the whole Irish situation.

He said that the people who had stockpiled petrol bombs to burn out Catholic houses had never been brought to book.

These people belonged to the same sinister secret society and the same party which had egged on their halfhearted followers into the pogroms of Belfast in 1969.

And yet the Unionists came to Parliament and talked of a "sweet reason."

Mr. Callaghan said: "The IRA set out for a united Ireland. Nothing will give them succour and strength in their task in Northern Ireland more than the suggestion that if they keep the pressure up, if they resist the acts of the Army to bring them under control they will achieve the object on which they are set."

But the vast majority of people in Northern Ireland will not have a united Ireland. There is one matter which goes right down into their hearts and that is the fact they are part and parcel of the United Kingdom and they want to remain part

and parcel of the United Kingdom.

He said Mr. Lynch and his Government, under their constitution, claimed that they controlled the North of Ireland. "The vast majority of the people of Northern Ireland would look on any suggestion of setting up a Council of Ireland as the beginning of a sell-out of their constitutional position."

Mr. Gerry Fitt (Rep. Lab. Belfast V) said there was a section of the community in Northern Ireland which believed that the answer to Northern Ireland's problems was to introduce internment, re-form the B-Specials and re-arm the police force. There was another section which believed the answer lay in disbanding the Orange Order and getting the British Army out of Ireland as soon as possible.

"These two roads would lead to ultimate disaster, not only for Northern Ireland, but for the island of Ireland and these British Isles."

I do not believe the unity of Ireland will be advanced by one second by the killing of a British soldier or the letting-off of a bomb."

Normal lives

Mr. Whitelaw said: "No one can really produce a perfect society which does not pose many other difficulties."

"Let there be no doubt at all with anyone in Northern Ireland, that the British Government, working with the Stormont Government, will do everything in its power to root out terrorism and stop violence."

"Our clear and plain objective is to do everything in our power to ensure people of all communities in Northern Ireland can go about their normal lives and businesses in peace without fear."

Sir Alec to be told of peers' call for Crown Agents inquiry

BY JUSTIN LONG

"DISQUIETING ALLEGATIONS" concerning the investment policy of the Crown Agents and demands for an investigation are being passed on to Sir Alec Douglas-Home, Foreign Secretary, in the light of an article in yesterday's Guardian.

Lord Latham, Under-Secretary, Foreign Office, pressed in the Lords to give the Government's view of the allegations made in the article, said: "I have no reason to suspect that it is substantially inaccurate."

£1,000m. funds

But the Crown Agents were only responsible in their investment of funds to their overseas principals, who were mainly independent governments and other public bodies, the Minister told peers when he was urged to indicate what supervision the British Government could exercise.

Anxiety raised from both sides of the House included the possibility that the "best interests of the economy" might be affected in the context of an estimate that the Crown Agents managed funds totalling about £1,000m., which came from more than 350 overseas governments and public authorities.

A question from Lord Selkirk prompted the probe by peers into the policy for investing these funds from overseas pursued by the Crown Agents.

Lord Latham said: "They do this on the instructions and

authority of their principals and the British Government does not intervene in these operations."

The Minister also agreed to a suggestion from Lord Selkirk that the Government had no routine discussions with the Crown Agents on investment policy, gave no approval for investments, and certainly had no power to direct the Crown Agents in any way.

"That is quite correct," said Lord Latham. "Crown Agents are only responsible to their principals in these matters."

Lord Peddie (Lab.) asked if the Crown Agents were appointed by the Government. "Can the Government confirm or deny that executives of the Crown Agents hold directly, or through nominees shares in companies promoted with Crown Agents' funds?"

Lord Latham answered that the Agents were appointed by the Government but he would like to say nothing on the other question.

Lady White (Lab.) said: "We have all, I suppose, read The Guardian this morning and I am sure it will be appreciated that we would wish to have some comment about the allegations in it for they are very disquieting."

Lord Latham said he had not read The Guardian article fully. "But I have no reason to suspect that it is substantially inaccurate. I would like time to consider the matter."

Lady Mowbray (Cons.) of Basset asked the Minister to promise that there should be

an investigation with a report as soon as possible.

Lord Latham said that request would be conveyed to the Foreign Secretary.

Lord Brockway (Lab.) said: "I view of your view that The Guardian article may not be substantially inaccurate, can you answer two questions?"

To whom are the Agents responsible? "The developing countries aware that their money is being used to benefit London property owners, bankers and other private enterprise, enabling individuals in the words of The Guardian to build up personal fortunes?"

Lord Latham repeated that the Agents were responsible to their principals "whoever they may be."

"The other item is a matter for the Crown Agents. Their principals have every right to ask the Agents how they are investing their money and what activities they are indulging in."

Lord Fletcher (Lab.) said that it had been reported in The Guardian that one of the Crown Agents had said that he had some kind of responsibility to the Foreign Secretary.

"Could Lord Latham bear in mind that that would be most disquieting if it was a fact, as it suggested, that in pursuing their investment policies, the Crown Agents were not supposed to have regard to the best interests of the economy of this country?"

Lord Latham said he would pass on the comment to the appropriate Minister.

Lord Fargher (Lab.) asked if

the Agents enjoyed legal immunity under the Crown.

Lord Latham said he could not say. Lord Thorncroft said: "While there has been criticism of the Crown Agents, they have for many years done a very good job of work and we might end up in a worse position if we changed things too rapidly."

Lord Peddie asked what action would be taken if there was an immediate withdrawal of funds from the Crown Agents.

Lord Latham said: "I think that this is a matter for the Treasury."

Lord Bewick, Opposition Chief Whip, asked who appointed the Agents and who had power to dismiss them.

Lord Latham said: "They are appointed by the Government."

Lord Brockway said he had an internal document published by the Crown Agents listing their investments. "It is a secret document but I have a copy and I want to know why, if these things are true, the facts should not be publicly announced. Should not the Agents announce publicly where money is placed?"

Lord Latham said: "You are more fortunate than I. I have not seen that document."

These points

Lord Davies of Leek (Lab.) said he had seen the excellent work done by the Crown Agents in South-East Asia and he would cast no aspersions. "But when public money is involved, should we not try to see that as much information as possible is given to Parliament?"

Lord Selkirk added at the end: "The sooner all these points are answered, in public, the better."

Vehicle and General Tribunal of Inquiry

BLA views "differed from Ministry's"

A COMPLETE DIFFERENCE in outlook between the Board of Trade and the British Insurance Association was alleged at the tribunal inquiry yesterday into the collapse of the Vehicle and General Insurance Company.

Mr. Norman Nail, a principal in the Department of Trade and Industry, was being questioned by Mr. E. I. Threlfall, QC, for the British Insurance Association.

Mr. Nail said he accepted in theory the requirements of the Board of Trade in the way of management's requirements.

He agreed that it was fair to say that during the Sixties there had been a complete difference of view between BLA and the Board of Trade over the V & G situation.

"Sometimes," he said, "the industry took a classical conservative view that whatever was working at the moment must be kept going."

Further questioned by Mr. Threlfall, Mr. Nail said that V & G was not always necessarily the truth.

The Board had taken the classical view of seeking to find something perfect whether it was really practical or not. He hoped that they had reached an intermediate position.

Mr. Threlfall asked: "If, in the early years of the company's business, the Department found that V & G was developing ill-practices, surely the Department would want to stamp out these ill-practices at the earliest possible moment, in order that they would not lead in the long run, to a monumental disaster for policyholders?"

Mr. Nail replied: "If you mean by that I wish I had some powers to interfere in the management of V & G's business, the answer is 'yes'. If you mean did I have the powers, but did not use them, then the answer is that I did not have the powers."

Anxiety

Mr. Threlfall said that, if Mr. Nail had had the idea of the practices present in his mind, surely his approach to the doubt should have been to exercise Section 14 powers rather than resolve the doubt in favour of a company whose practices were the source of anxiety.

Mr. Nail replied: "The problem, as I saw it at the time, was that our powers went on current solvency and there was no way in which we could say that there was such an under-provision that this would render V & G insolvent within the meaning of the Insurance Companies Act."

Mr. Nail told Mr. Nail that he appeared to have approached computation relating to future liquidity on a basis no sensible

person would have thought appropriate.

Mr. Nail said he did not see why he should judge whether the Insurance Companies Act was sensible or not. He had administered it, and played a part in its amendments.

Why should he have to defend what the legislature did? To make those computations he would have to make in relation to future liquidity—and make them stick at the end of the line—he needed legal powers to do it.

In the course of his selectivity, Mr. Hunt (V & G) had been making profits, but to continue expansion he had to keep doing so.

Mr. Threlfall suggested that if the company had pursued the normal prudent practices of the insurance industry the profits would not have looked so good.

"You were dealing with someone who was very bombastic and expansion-minded. It was surely something which should have been in the forefront of your mind when you were considering the accounts, particularly in 1963."

Mr. Nail said the point of balance had to be decided between the consumer-protection intentions of Parliament in enacting insurance-company legislation, and the general policy of freedom of business to manage its concerns in the way it thought best.

Making this judgment was made harder by the nature of the legal powers the Board of Trade possessed in relation to protecting policyholders.

Mr. Threlfall asked Mr. Nail whether he welcomed the assistance the British Insurance Association sought to give. "Did you think it was proper that they should give the warnings they did?"

Mr. Nail: "I thought it was quite proper; they should provide the information they had. The BLA proffered information on other companies as well as V & G. Sometimes they were right and sometimes they were wrong. I would not start from the position that whenever the BLA proffered advice it was always right, but I did start from the proposition that, whenever the BLA proffered advice, I should take it seriously."

Mr. Threlfall said that the impression he had got from the documents was that Mr. Nail really did not welcome anything coming from the BLA. He asked whether Mr. Nail approached the communications he got from the BLA with a preconception that they were communications from a troublesome people.

Mr. Nail replied: "I approached them with the attitude that one had to consider what they were saying seriously. But in many cases what they were saying was already known to the Department. Although the resources at least deal with some of their points because sometimes the Department could not discuss back

again with the BLA what the Department knew. There could not be a meeting of minds."

He said that a situation would be reached where a series of letters would pass between the Department and the BLA with the Association repeating what it had said before.

Frustration

He added: "I could understand the feeling of frustration within the BLA on this because there was not a full discussion with them of all the facts we knew."

Mr. Nail said the Department was inhibited from revealing to the BLA matters they had been told in confidence by individual companies. He denied that his automatic reaction to anything the BLA said was that they were making misplaced criticisms.

Mr. Threlfall: "Because of the antagonism being shown by Mr. Hunt (V & G's chief executive) in relation to the BLA were you not influenced by the Association, and did that affect your judgment on the question of criticism of the accounts?"

Mr. Nail: "Not at all. I was anxious that Mr. Hunt should not know that some of the criticisms I was putting in him were made by the BLA, because it would appear to make me just a mouthpiece of the BLA. The things I was putting to Mr. Hunt which I wanted him to do came from my own independent judgment."

Mr. Cyril Homewood, an Assistant Secretary in the Department of Trade and Industry, was questioned by Mr. Threlfall on evidence he had given earlier in the inquiry to Sir Elwyn Jones, QC, representing a number of named policy and shareholders in V & G. He had created the impression, Mr. Threlfall said, the motor insurance world was on the edge of a precipice. Did he on reflection wish to withdraw that answer?

Mr. Homewood said that he was conscious that, with the usual selective reporting, a wrong impression might have been given. The answer, of course, was to some extent conditioned by the question.

"I certainly did not intend to create the impression that the insurance world lives on the edge of a precipice, all the time," he said.

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Committee to see union man

By John Bourne, Lobby Editor

THE COMMONS Committee of Privileges yesterday underlined the seriousness of a complaint about Mr. Alex Kitson, a senior official of the Transport and General Workers' Union, who was reported to have threatened to withdraw the union's cash support from pro-Market Labour MPs if they voted for entry into the E.C.

The committee is led by Mr. William Whitelaw, Leader of the Commons, and has among its members Sir Peter Rawlinson, the Attorney General, and the Speaker Mr. Selwyn Lloyd.

In an interim report published yesterday it told the Commons that it had started its investigation into the allegations that Mr. Kitson had committed a breach of privilege. It adds that because of the summer recess "a considerable time must elapse before the committee will be able to complete its inquiry."

It then says that the Committee, nevertheless, feels obliged to draw attention to the following passage in the report of the Committee of Privileges (1966-67): "It is a breach of privilege to take or threaten action, which is not merely calculated to affect the MP's course of action in Parliament, but is of a kind against which it is absolutely necessary that Members should be protected if they are to discharge their duties as such independently and without fear of punishment or hope of reward."

Mr. Kitson will later be interviewed by the committee and so may his general secretary, Mr. Jack Jones.

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It then says that the Committee, nevertheless, feels obliged to draw attention to the following passage in the report of the Committee of Privileges (1966-67): "It is a breach of privilege to take or threaten action, which is not merely calculated to affect the MP's course of action in Parliament, but is of a kind against which it is absolutely necessary that Members should be protected if they are to discharge their duties as such independently and without fear of punishment or hope of reward."

Defence Ministry to take over Aldermaston

BY DAVID FISLOCK AND PHILIP RAWSTORNE

RESPONSIBILITY for Aldermaston, the Atomic Weapons Research Establishment, responsible for the development, manufacture and testing of Britain's nuclear warheads, is to be transferred in 1973 to the Ministry of Defence.

Announcing the transfer in a statement to the Commons yesterday, Mr. John Davies, Secretary for Trade and Industry, recalled that the move had been recommended by the Rayner report on Government organisation for defence procurement and civil aerospace, in April.

The transfer affects about 6,000 people, roughly a third of the staff of the U.K. Atomic Energy Authority. Most of the staff are based at Aldermaston, near Reading, the establishment for research, manufacture and servicing of warheads. But a few hundred people are employed at two other sites in Essex—Orfordness, an environmental testing site, already being closed down by the authority, and Foulness, where sea trials of weapons are made and blast effects assessed.

Long-standing

The Ministry of Defence, said Mr. Davies, would manage the transfer, but he and Mr. Frederick Corfield, Minister for Aerospace, would continue to deal with matters affecting the rest of the authority.

Terms for those transferred to defence should, he indicated, be no less favourable, he indicated, about 19 per cent of the work, however, is for civil agencies, including fast reactor work for the authority itself, and other contracts for the Department of

WALL STREET + OVERSEAS MARKETS

Technical rally holds—Index up 4.5

MONEY + EXCHANGES

Large assistance

BY OUR WALL STREET CORRESPONDENT

NEW YORK, August 5.

A TECHNICAL RALLY made some headway on Wall Street today, when the list reacted favorably to the slowing of the rise in the wholesale price index, despite the jump in the industrial commodities indicator.

The Dow Jones Industrial Average regained 4.33 to 889.45, after 871.56, while the NYSE All Common Index recovered 11 cents to 331.96. Volume, however, sharply decreased by 3.1m. shares to 12.1m., while advances led declines by 717 to 378.

The Wholesale Price Index had slowed in an expected 0.2 per cent. Rate. Acceleration in the industrial commodities indicator was discounted, analysts said.

One analyst said the recovery today was due not so much to new buyers but lack of participation by the professional sellers who have dominated the market for two weeks. However, other analysts were divided on the potential of the upturn.

Many operators were prepared to wait until Washington takes substantive and definite steps to curb economic malaise.

General Motors gained \$2 to 87.01 on its 4.1 per cent price increase for 1972 models, which is slightly below the increases announced by Ford and Chrysler. Ford was unchanged at \$81, while Chrysler shed \$2 to \$251.

Retailers generally responded to reports of higher July sales. Woolworth gained \$1 to \$44 on a "relative rise in consumer buying" reflected in its July sales. Sears added \$2 to \$861.

In "Glamours," Xerox finished ahead \$1 to \$101.50, Polaroid rose \$1 to \$101.50, National added \$1 to \$4, and Eastman and Lomb advanced \$1 to \$127.

IBM finished unchanged at \$287. Among other Computer issues, Burroughs rose \$1 to \$118, Control Data added \$1 to \$30, and Memorex also improved \$1 to \$28.

Aerospace issues were mixed. Lockheed Aircraft slipped \$1 to \$10, and McDonnell Douglas lost \$2 to \$25, but Boeing and Grumman each edged up fractionally.

Energy earnings and increased dividends cast impetus to some issues. Derkey Photo put on \$1 to \$11, on improved second quarter results, while North American Rockwell gained \$1 to \$27, on an increased quarterly dividend.

Gold swung upwards following the renewal of uncertainty in European currency markets. Steels and Ralls were below their post strike highs.

On the active list, Mead dropped \$2 to \$20, International Nickel lost \$1 to \$30, May's Department Stores slipped \$1 to \$41, while General Electric forced ahead \$1 to \$34.

The American SEB was slightly higher in light trading. The index rose 4 cents to 32.92 in a volume of 3.7m. (3.67m.) shares.

Volume leader was Mammoth

which fell \$2 to \$201, it expects "sluggish" July sales although they will be inflated by new space this year.

Levitz Furniture advanced \$2 to \$83, on talk of an expected 70 per cent profit improvement.

OTHER MARKETS

Canada irregular

Canadian Stock Markets finished irregular in light trading yesterday.

Gold rose 1.01 on index, buoyed by currency uncertainties in Europe. Industrials recouped 1.74. Western Oils firmed 0.28 and Pacific Petroleum improved \$1, to \$34, on a Bank of Canada move to 0.38 and Bank of Montreal to 0.39.

Among Oils, Imperial Oil gained \$1, Superpetroleum advanced \$1, Pacific Petroleum improved \$1, to \$34, on a Bank of Canada move to 0.38 and Bank of Montreal to 0.39.

Indices

NEW YORK DOW JONES AVERAGES

Close	High	Low	Open	Prev. Close
331.96	335.45	328.45	331.96	320.83
NYSE Comp. Ind.	101.15	101.15	101.15	100.00
NYSE Comp. Ind.	101.15	101.15	101.15	100.00
NYSE Comp. Ind.	101.15	101.15	101.15	100.00
NYSE Comp. Ind.	101.15	101.15	101.15	100.00

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International Mineral and Chemical fell \$1 to \$15, on poor earnings. Noranda Mines declined \$1, and Molayre Poreneplase fell \$2.

Falconbridge dropped \$1.

GERMANY—Easier after a steady opening. Wednesday's interest in Internationals was cut back sharply in view of monetary unrest and a technical reaction to previous firmness.

Hochst lost Dm3.90 in major chemicals, while Deutsche Bank dropped Dm3.30 in a dull banking sector. Siemens and AEG each declined.

MAN gave way Dm3.90, Volkswagen Dm4.10, Dm3.90 and Metallgesellschaft Dm3.90, but Kali Chemie and Glanzstoff each firmed.

In Bonds, Public issues gained, while Foreign Marks Loans were steady.

AMSTERDAM—Most Internationals eased.

Plantations were generally lower but Shippings firmed. Movements were narrow in local Industrials, Banks and Insurances.

STOCKHOLM—Irregular trend.

MILAN—Firm undertone with widespread small gains in extremely light trading.

Flat gained Lire 15 to Lire 2403.

PARIS—Recent decline was halted and a number of shares gained ground. The confused monetary scene continued to overshadow sentiment, however, and no signs of a real rally appeared.

Among Financials, the Credit Lyonnais and the Comptoir d'Escompte were mixed while, in Stores, Africaine Occidentale and Paris France each advanced.

OSLO—Banks were well maintained, while Insurances and Shippings were irregular and Industrials easy.

VIENNA—Prices fluctuated within narrow margins in a quiet market.

COPENHAGEN—Generally well maintained. Banks and Commodity, however, were narrowly mixed.

TOKYO—Market eased initially, but rallied later on renewed interest in Oils, Insurances and Construction. Volume 200m.

The uncertain European currency situation revived support for Oils and Insurances, which were expected to benefit from any revaluation.

Housed gained ground and investment companies were also firm. Foods were mixed while, in Stores, Africaine Occidentale and Paris France each advanced.

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rose, but Investment Funds retreated.

State Loans were steady.

BRUSSELS—Market remained generally weak. But Wagons-Lits rose Frs.8 and Canadian Petrofina also improved. Cockerill also regained Frs.2, but Union Miniere shed Frs.20 and Kalanga eased.

Gold was relatively firm. Peugeot and Siemens eased, while Tanganyika rose.

SWITZERLAND—Markets were irregular. Swissair regained Frs.6. Major Banks closed steady to well maintained. Among mixed Financials, Bally were up Frs.10 on a co-operation agreement with the Melville Shoe of U.S.

State Bonds were generally maintained.

Dollar stocks were narrowly mixed, fairly heavy trading. German and Dutch shares were barely steady.

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to lead Industrials generally higher. Insurances were mixed, with Assicurazioni Generali down Lire 100 to Lire 53,000. In Quick-silvers, Montecatini gained Lire 14 to Lire 1,894.

Bonds were quiet but steady.

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STOCK EXCHANGE REPORT

Cheap buyers bring small rally with help of Wall St.

Share index 5.4 better at 394.9—Gilt-edged steadier

COUNT DEALING DATES

Option

Declar. Last Account

Mings tions Dealings Day

23 Aug. 5 Aug. 6 Aug. 17

9 Aug. 19 Aug. 20 Sept. 1

23 Sept. 2 Sept. 3 Sept. 14

new time dealings may take place

5 p.m. three business days earlier

All Street continued as the

unant influence yesterday in

don stock markets which

ed on a cautious note on

failure of the Dow Jones to

ain its rally on Wednesday.

ers were, however, showing a

more readiness after the

re sharp shake-out and the

ket as a whole was heartened

better-than-expected second-

figures from Royal Dutch/

il. Wednesday's bout of

rs on the U.S. dollar share

still an inhibiting factor, but

a "new-time" buying for the

unit starting next Monday

in progress and end-account

ing of bear positions was also

ing prices to rally.

gress was slow, however, as

trated by the modest (2.3)

ovement in yesterday's early

nt and the index was taken to

ose of 204.9 for a rise of 5.4.

arday's was the first gain in

a business day; during the

ous early start, the index lost

points, or 5.2 per cent. Yester-

s better tendency was also

ked by the falls in the ratio of

in FT-valued Industrials

gained 2.2 per cent. Yester-

nesday. Official markings

little changed at 11,620.

is steadier

though still a little uncertain

the previous days' setback

a much steadier showing

ing conditions remained

yquist, but the appearance

few buyers helped medium

long-dated stocks to improve

A better tone also developed

the shorts where interest

ed mainly on low coupon

ts, rising 2 3/4 to 9 3/4 and

Savings 3 per cent. 1965-75, 1 to

89. There was a little more

business in Corporations, but

Commonwealth issues remained

quiet.

An increased demand for invest-

ment dollars forced a close

trading and the premium, after

lowering 2 1/2 per cent, closed

4-point higher at 2 1/2 per cent.

Banks move ahead

Buyers reappeared for Home

Bank after a recent reaction

and prices moved back to close

near the day's best levels. Gains

ranged between 1 1/2 and 2 1/2, but

trading was rather thin. Barclays

finished 2 1/2 to the good at 5 1/2,

while National Westminster were

finally 1 1/2 up at 5 1/2, after 5 1/2.

National Commercial added 4p

at 1 1/2. Among Overseas issues,

3 1/2, and 1 1/2, advanced 1 1/2 to

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prominent at 10 1/2, up 1 1/2,

while gains of around 5p were

seen in W. and C. French "A"

300p, Mitchell Construction, 2 1/2,

and J. Mowlem, 1 1/2. London

Ericks rose 3 1/2 to 6 1/2 following

the June brick and cement figures.

Northern Developments were not

higher at 2 1/2, up 1 1/2.

Adas Stone was a "value

issue" at 15 1/2 with the "new"

at 16p premium. Bryant Holdings

ended 3p at 3 1/2, and International

Finance were 4p cheaper at 13 1/2.

ICI met a reasonable day's busi-

ness and closed 7p higher at 3 1/2.

Rotax Corp closed 2 1/2, but

dividend and profits, but Hickson

and Welch, a firm market of late,

dipped 6p to 12p.

Leading Stores were firmer, with

the exception of "Gusset" "A",

which shed 3p more to 4 1/2. Hulse

of Fraser added 4p at 2 1/2, while

Marks and Spencer, 2 1/2, and

United Drapery, 1 1/2, both up 1 1/2.

2p. Bensons Hosiery gained 3p to

3 1/2, while rises of 4p were seen

in Dixons Photographic, 7p, and

Robert Kitchen Taylor, 7 1/2. On

the other hand, Amint Reed "A"

came back 1 1/2 to 3 1/2. Also easier

were British Home Stores at 2 1/2,

down 4p.

Following the bid rejection and

profits forecast for the year,

the bid was rejected, the price

over to 6 1/2 before easing to close

6 1/2 up on balance at 6 1/2. Drakes,

the bidder, closed 1 1/2 better at

1 1/2. Style hardened 3p to 3 1/2,

while Weara were 1 1/2 higher at

3 1/2.

Leading Electricals were quite

active. Following the previous

day's reaction, GEC ended 1 1/2

better at 1 1/2, after 1 1/2. Dealers

reported a good turnover, offering

a fair amount of "new-time" in

the morning. In the afternoon,

after falling fresh to 1 1/2, the

shares recovered to 1 1/2 for the

rise of 2p on the day. EMI eased

at first to 1 1/2, but rallied on the

opening firmness of Wall Street

to finish 4p up on balance at 1 1/2.

Thorn benefited from the chair-

man's encouraging statement with

the full report and the "A" closed

at 1 1/2. Louis Newmark moved 4p

further to a peak for the

year of 1 1/2, while improvements

of about 5p occurred in BSR, 3 1/2,

Electronic Machine, 5p, and

Macarthy's Pharm. up

Macarthy's Pharmaceuticals

became a good feature in re-

sponse to the increased dividend

and profits, rising to 1 1/2 and

1 1/2. The shares were 1 1/2

higher at 1 1/2. The shares were

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F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and the Faculty of Actuaries in Edinburgh

EQUITY GROUPS		Thursday, August 5, 1971		Wed. Aug 4		Tues. Aug 3		Mon. Aug 2		Friday July 30		Year (approx)		High and Low Index	
GROUPS & SUB-SECTIONS		Index No.	Day's Change %	Index No.	Index No.	Index No.	Index No.	Index No.	Index No.	Index No.	Index No.	Index No.	Index No.	High	Low
CAPITAL GOODS GROUP		158.46	—	158.46	158.46	158.46	158.46	158.46	158.46	158.46	158.46	158.46	158.46	158.46	158.46
Aircraft and Components (3)		106.14	-0.5	106.14	106.14	106.14	106.14	106.14	106.14	106.14	106.14	106.14	106.14	106.14	106.14
Building Materials (29)		150.83	—	150.83	150.83	150.83	150.83	150.83	150.83	150.83	150.83	150.83	150.83	150.83	150.83
Contracting and Construction (19)		108.70	-0.2	108.70	108.70	108.70	108.70	108.70	108.70	108.70	108.70	108.70	108.70	108.70	108.70
Electrics (ex. Electr. Rad. & TV) (13)		108.69	-0.8	108.69	108.69	108.69	108.69	108.69	108.69	108.69	108.69	108.69	108.69	108.69	108.69
Engineering (80)		144.84	+0.1	144.84	144.84	144.84	144.84	144.84	144.84	144.84	144.84	144.84	144.84	144.84	144.84
Machine Tools (15)		106.34	+0.1	106.34	106.34	106.34	106.34	106.34	106.34	106.34	106.34	106.34	106.34	106.34	106.34
Miscellaneous (25)		128.83	-0.0	128.83	128.83	128.83	128.83	128.83	128.83	128.83	128.83	128.83	128.83	128.83	128.83
CONSUMER GOODS (DURABLE) GROUP (56)		107.43	+0.8	107.43	107.43	107.43	107.43	107.43	107.43	107.43	107.43	107.43	107.43	107.43	107.43
Electronics, Radio and TV (14)		178.39	-1.9	178.39	178.39	178.39	178.39	178.39	178.39	178.39	178.39	178.39	178.39	178.39	178.39
Household Goods (15)		179.40	-3.9	179.40	179.40	179.40	179.40	179.40	179.40	179.40	179.40	179.40	179.40	179.40	179.40
Motors and Distributors (27)		115.91	+1.0	115.91	115.91	115.91	115.91	115.91	115.91	115.91	115.91	115.91	115.91	115.91	115.91
CONSUMER GOODS (NON-DURABLE) GROUP (175)		107.63	+0.4	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63
Breweries (21)		178.36	+0.7	178.36	178.36	178.36	178.36	178.36	178.36	178.36	178.36	178.36	178.36	178.36	178.36
Wines and Spirits (7)		168.08	+0.6	168.08	168.08	168.08	168.08	168.08	168.08	168.08	168.08	168.08	168.08	168.08	168.08
Entertainment and Catering (15)		193.68	-0.9	193.68	193.68	193.68	193.68	193.68	193.68	193.68	193.68	193.68	193.68	193.68	193.68
Food Manufacturing (24)		138.15	+1.0	138.15	138.15	138.15	138.15	138.15	138.15	138.15	138.15	138.15	138.15	138.15	138.15
Food Retailing (17)		156.18	+0.6	156.18	156.18	156.18	156.18	156.18	156.18	156.18	156.18	156.18	156.18	156.18	156.18
Newspapers and Publishing (15)		136.49	-0.4	136.49	136.49	136.49	136.49	136.49	136.49	136.49	136.49	136.49	136.49	136.49	136.49
Packaging and Paper (16)		112.88	+0.7	112.88	112.88	112.88	112.88	112.88	112.88	112.88	112.88	112.88	112.88	112.88	112.88
Stores (30)		161.90	—	161.90	161.90	161.90	161.90	161.90	161.90	161.90	161.90	161.90	161.90	161.90	161.90
Textiles (21)		168.16	+0.2	168.16	168.16	168.16	168.16	168.16	168.16	168.16	168.16	168.16	168.16	168.16	168.16
Tobacco (3)		236.80	+1.7	236.80	236.80	236.80	236.80	236.80	236.80	236.80	236.80	236.80	236.80	236.80	236.80
Toys and Games (6)		43.55	+0.8	43.55	43.55	43.55	43.55	43.55	43.55	43.55	43.55	43.55	43.55	43.55	43.55
OTHER GROUPS		107.63	+0.4	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63
Chemicals (19)		107.63	+0.4	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63
Office Equipment (10)		107.63	+0.4	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63
Shipping (10)		107.63	+0.4	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63
Miscellaneous (unclassified) (44)		107.63	+0.4	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63
INDUSTRIAL GROUP (498 SHARES)		165.78	+0.4	165.78	165.78	165.78	165.78	165.78	165.78	165.78	165.78	165.78	165.78	165.78	165.78
Oil (2)		301.09	+1.0	301.09	301.09	301.09	301.09	301.09	301.09	301.09	301.09	301.09	301.09	301.09	301.09
500 SHARE INDEX		179.38	+0.6	179.38	179.38	179.38	179.38	179.38	179.38	179.38	179.38	179.38	179.38	179.38	179.38
FINANCIAL GROUP (121)		167.05	+1.0	167.05	167.05	167.05	167.05	167.05	167.05	167.05	167.05	167.05	167.05	167.05	167.05
Banks (6)		181.18	+2.1	181.18	181.18	181.18	181.18	181.18	181.18	181.18	181.18	181.18	181.18	181.18	181.18
Discount Houses (6)		109.17	-0.8	109.17	109.17	109.17	109.17	109.17	109.17	109.17	109.17	109.17	109.17	109.17	109.17
Hire Purchase (6)		250.90	+0.0	250.90	250.90	250.90	250.90	250.90	250.90	250.90	250.90	250.90	250.90	250.90	250.90
Insurance (Life) (8)		143.88	-0.0	143.88	143.88	143.88	143.88	143.88	143.88	143.88	143.88	143.88	143.88	143.88	143.88
Insurance (Composite) (9)		188.08	+1.0	188.08	188.08	188.08	188.08	188.08	188.08	188.08	188.08	188.08	188.08	188.08	188.08
Insurance (Brokers) (10)		176.13	—	176.13	176.13	176.13	176.13	176.13	176.13	176.13	176.13	176.13	176.13	176.13	176.13
Investment Trusts (20)		188.47	—	188.47	188.47	188.47	188.47	188.47	188.47	188.47	188.47	188.47	188.47	188.47	188.47
Merchant Banks, Issuing Houses (15)		163.37	+0.5	163.37	163.37	163.37	163.37	163.37	163.37	163.37	163.37	163.37	163.37	163.37	163.37
Property (31)		209.33	+1.7	209.33	209.33	209.33	209.33	209.33	209.33	209.33	209.33	209.33	209.33	209.33	209.33
Miscellaneous (9)		171.57	+0.0	171.57	171.57	171.57	171.57	171.57	171.57	171.57	171.57	171.57	171.57	171.57	171.57
ALL-SHARE INDEX (621 SHARES)		178.30	+0.7	178.30	178.30	178.30	178.30	178.30	178.30	178.30	178.30	178.30	178.30	178.30	178.30
COMMODITY SHARE GROUPS (Not included in the 500 or All-Share indices)		107.63	+0.4	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63
Rubbers (10)		303.78	+0.4	303.78	303.78	303.78	303.78	303.78	303.78	303.78	303.78	303.78	303.78	303.78	303.78
Teas (10)		88.88	-0.8	88.88	88.88	88.88	88.88	88.88	88.88	88.88	88.88	88.88	88.88	88.88	88.88
Coppers (4)		324.06	-1.3	324.06	324.06	324.06	324.06	324.06	324.06	324.06	324.06	324.06	324.06	324.06	324.06
Mining Finance (11)		103.16	-0.4	103.16	103.16	103.16	103.16	103.16	103.16	103.16	103.16	103.16	103.16	103.16	103.16
Tins (8)		70.95	-1.1	70.95	70.95	70.95	70.95	70.95	70.95	70.95	70.95	70.95	70.95	70.95	70.95
FIXED INTEREST		107.63	+0.4	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63	107.63
Consols 2½% yield		9.48	—	9.48	9.48	9.48	9.48	9.48	9.48	9.48	9.48	9.48	9.48	9.48	9.48
20-yr. Govt. Stocks (6)		77.80	—	77.80	77.80	77.80	77.80	77.80	77.80	77.80	77.80	77.80	77.80	77.80	77.80
20-yr. Red. Debentures & Loans (15)		72.10	—	72.10	72.10	72.10	72.10	72.10	72.10	72.10	72.10	72.10	72.10	72.10	72.10
Investment Trusts Prefs. (15)		69.61	—	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61	69.61
Commercial and Indust. Prefs. (20)		74.30	—	74.30	74.30	74.30	74.30	74.30	74.30	74.30	74.30	74.30	74.30	74.30	74.30

ITV decision on sport ratified

Grade, chief executive of that network, has argued in favour of "alternative programmes" for a long time.

On the brighter side ITV is in the process of completing its biggest sports deal after negotiations with the Football League. The companies hope to sign a contract soon for the exclusive showing of League football recordings on Sunday until 1974 at a record six figure fee.

Each of the companies will have rights to show a minimum of 30 programmes per season. Each recording will comprise an edited report of up to 45 minutes' duration. The companies will continue coverage of regional weekend football.

The decision to drop full coverage of the Olympics, revealed exclusively in the Financial Times some weeks ago, was a turning point in ITV's sports philosophy. The BBC's full use of its two alternative channels at weekends has proved too much.

ITV thus believes that it will best serve its viewers in 1972 by showing regularly, within a new format, the highlights of each day's Olympic events. It will not compete with the BBC in running coverage of events in progress to the general public.

ITV sport will be brought into the main stream of the contractors' network programme structure, with the sport sub-committee being reconstituted. It will be headed by a programme controller from one of the major companies. Its first chairman is Mr. Bill Ward of ATV.

The companies stressed last night that it was their aim to strengthen the increasingly successful coverage of sport.

The changes are seen as a victory for the ATV camp. Sir Lew

ACTIVE STOCKS

Stock	Denomina- tion	Closing price	Change on day	1971 high	1971 low
Burmah Oil	£1	428	+5	477	297
Imp. Chem. Inds.	£1	317	+7	326	300
Commercial Union	25p	14	+6	16	12
Novelty Shop	25p	14	+6	16	12
Beecham	25p	12	+3	13	10
Coral (J.) Hldgs.	10p	12	+12	131	67
Star (GB)	50p	12	+3	103	100
Barclays Bank	£1	11	+37	218	207
De Beers Deft.	£1	11	+3	210	207
Hay's Wharf	£1	11	+22	205	183
Thorn "A"	25p	11	+7	416	256
Unilever	25p	11	+12	327	215
Brit. Petroleum	£1	10	+7	625	403
Consol. Gold Fields	25p	10	+20	253	213
Lloyds Bank	£1	10	+14	218	210

A rather better tendency developed yesterday following the Shell half-yearly results.

Allied Irish Banks eased 2½p to 500p on the Irish Exchange, but Bank of Ireland added ½p to 380p. P. J. Carroll dipped 2p to 60p and Irish Distillers 1p to 10p.

1971	using rice and	+ or	% of count	1971	1972
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1971	using rice and	+ or	% of count	1971	1972
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Right	Low	High	Low	High	Low	High	Low	High
30	100	Golden	114	185	2.0	8.1		
27	138	Grand	50	184	8	63.8		

55	165	Kensington Pal.	355	11	2.4	1.1
55	165	Do. 'A'	985	11	2.4	1.1
10	100	Kurawal	100	130	4.8	2.1
47	121 ₂	Laubrooke	281	140	2.3	3.4

38	25	Cellular God. 10/1	28	.....	110	2.22	3
24	395	Lynn's A' P.L....	495	+2	15.6	1.9	2
26	25	Mark's French....	78	.....	421	1.4	1

19	15	McCharlotte 10j	161 ₂	-1 ₂	61	7.8	3
48	1111	Malden 50n.	121	+3	13	1.3	8

38	27	27	Norfolk Univ. 51	30	41-12	22	1.8	3.7
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78	50	North M.P. 10	63	—	18	1.6	2.6
255	14	Palmer Derby	14	4	—	—
27	16	Ridgely Est. 10	17	—	—	—

27 1/2	23 1/2	Fontin's 10p....	24 1/2	12	1.6	6.0
17 1/2	11 1/2	Queen's Mini-5p	13 1/2	15	1.2	5.0

22	104	Howton Hotels	118	→	21	1.4	4.8
30	28	Kyans Touring	29	.....	33	12.6	3.8

40	255	Navy 'A' 50p...	325	.....	16°	1.8	2.5
61	112	Trust H. Forte..	112	-1	80°	1.7	4.3

24	181 ₂	W'r'r 80L A 10 _μ	23	.....	16	1.7	7.5
00	80	W'h'lere R'rt 10 _μ	100	.....	62	1.7	5.7

INDUSTRIALS (Miscell.)

20	73	A.A.H.	114	.....	36	1.2	8.5
22	67	A.O. Int.....	88	1/2-1 1/2	19	1.6	9.5

46	55	AOM's gal'm 55p	35	42	6.1
11	74	AG8 Res'ch 10p	107	127	1.7

23	80	A. V. P. Ind. 40p	117	.....	13	+	4.5
38	225	L. W. (dec. 10)	38	.....	15	+	4.2

12	150	Anderson Brn...	897	+7	423.6	1.7	2.1
39	23	Abmaison Wp...	33	+1	420	1.3	5.1
14	21	1-4 H-115-6...	9	-1	5	1	3

141a	10	Agar Clavata Sp.	8	.....	B-	-	2
151a	6	Agar Crown (E1)	8	.....	B-	-	2
202a	25	Agar lat. 20a	72	.....	15	1.4	2

85	55	Da. N/VT720p	54	.....	15	1.4	5.2
56	28	Allyan M. L. 10p	34	.....	40	1.0	1.8

42	35	Alld. Eng. Potia.	40	.....	11	1.5	6.9
191	121g	Alld. Inv. sp..	17	.....	21	9	5.2

For Anal. Metal see under Engineering & Metal

20	50	Aug. Lent. s(2)	197	+11	-	-	-
21	14	Anglowed 10p	18	5	1.0	2.8

For Anusfield Bldgs. see under Pools

566	34	Arbiter & West.	25	—	—	—
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86	77	Argonne (A.) 10	25	45	1.7	5.8
387	12	Assoc. Leisure 5	14	—12	d62	2.0	20.1
512	16	Assoc. Leisure 10	53	—	170	1.5	5.0

"Recent Issues" and "Rights" Page

INDUSTRIAL (Miscellaneous)—Cont.

Line	Stock	Price	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	296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Stock	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912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S, FINANCE, LAND—Continued[illegible]

TEAS—Continued

[illegible]

~~MINES-CENTRAL R.~~

...East Band (R1).....	95	+
...East Band (R1).....	93	
...East Band (R1).....	28	
...East Band (R1).....	13	
...East Band (R1).....	62	+
...East Band (R1).....	25	
...East Band (R1).....	33	
EASTERN RAND		
...East Band (R1).....	62	+
...East Band (R1).....	29	+
...East Band (R1).....	20	
...East Band (R1).....	11	
...East Band (R1).....	20	
...East Band (R1).....	95	
...East Band (R1).....	63	+
...East Band (R1).....	88	
...East Band (R1).....	43	
...East Band (R1).....	59	
...East Band (R1).....	176	
...East Band (R1).....	41	

FAR WEST BAND

lygrov. (det.)	164	+1
ulfilen (R)	263	+5
protein (R)	187	
nar. Dr. (R)	122	+4
of. Comb. Univ.	175	
al. (R)	66	
east. (R)	235	+1
of. Gold. (R)	282	+4
of. Comb. Univ.	260	
banon (R)	185	+3
l (protein) (R)	57	
al. Recs. (R)	665	+8
protein (R)	990	
Dr. (R)	990	
HT (R)	265	+2
est. W. (R)	990	+8
ent. (R)	89	
ent. (R)	455	
ent. (R)	286	
ent. (R)	21	

O.F.S.

Free State Der. 20c	30	...
S. Geduld 150c	600	...
Harmony 150c	75	...
Ukraine 10c	27	+
FSIT 10c	680	+
res. Brand 150c	515	+
res. Steyn 150c	275	+
res. Helena 10c	575	+
Urgina 150c	1	...
Uelkom 150c	100	...
Uelkom Holding 150c	915	+

FINANCE

ng Amer (10c).....	558	—
ng-Vaal (50c).....	785	+8
Quarter Con.....	242	—
ona. Gold Fields.....	260	—
orner House (R2).....	140	—
st Hand Con.10p.....	24	+1
etuld Inv. (R1).....	192	—
en. Mining (R2).....	£10 18	—
ubing Cons (R2).....	£16 14	—
urlio.....	90	+1
iddle Wit (25c).....	183	—
ing 10c.....	36	—

and Selection Trust	665	..
Selection Trust	720	..

... 10c.....	81	+
W. Africa (Dpl.)...	127	+
U. Invest (H1)...	142	+
tion Corp. (E.25c)	128	+
reenging (H2)...	£12	...
ogels (24c).....	45	...

DIAMOND

ngle Am. Inv. 50c...	£171 1/4	+
AST	226	+
eBoers Df. (5c)...	210	+

Do. 4upc Pf. [REDACTED] E1314 af +

PLATINUM	
ordenburg (124c).....	98
ot. Plat. (24c).....	120
ulon Plat. (10c).....	136
ateral (5c).....	145
CENTRAL AFRICA	
poration (25c).....	74
alcon	32
.....	82

Robt Phoenix Corp	28	..
Ind-Corp. 165p...	17 1/2	..
Gen Com. 1541	282	+

Am. Ang. \$8D1.40	236	
Am. Cpr. \$H10.24	41	
Am. Cons. 50p.	50	
AUSTRALIANS		
Am. Expn (50c)	6	
Am. Expn (50c)	6	
Am. Expn (50c)	6	

Finance Officer (100c)....	13	
Finance Pet (50c)....	10	..
Intest-Ex (100c)....	8	

Const. Wide (20c).....	41	...
Co. Dpts.....	1	...
H. South (50c).....	163	+
Const. Mins (10c).....	2	...
Const. Mins (20c).....	14	...
Const. P/Pd.....	6	...
Const. P/Pd (15c).....	6	...
Const. Mins. Ex. (10c).....	12	...
Const. M. Kalg (51).....	24	...
Boulder (10c).....	29	...

Greenvale 130ci ...	112	...
Hampton Areas br.	122	...

Ampton Props 5p	50	...
Arctic Oil (P/Pd)	2	...
Armadillo 31. (10c)	2 1/2	...
Averton Nk (P/Pd)	18 1/2	...
Bohra NKL P/Pd	2	...
Capitol (50c)	9	...
Champion Ex. (P/Pd)	8	...
Cliffside N.G. (50c)	51	...
Columbia Ex. (50c)	234	...
Cretaceous (20c)	45	...
East Main P/Pd	11	...
East Main P/Pd	6 1/2	...

...ing Finances\$1	20	--1
1 M Hlds. 100c	152	+1

Lyell (25c).....	73	+
ew Broken Hill....	475	...
umetal (10c).....	7	...
orth B. Hill (51)...	76	...
orth Kalg (50c)....	52	...
chn. Mag. (P/Pd)	18	...
ymposium Pet (P/pd)	11 ¹ / ₂	...
acific Cpr. (20c)...	100	...
iranga M. & Ex 50c	7	...
eko Wallend (50c)	486	...
seidon (20c).....	£11 ¹ / ₂	...
	252 ¹ / ₂	...

Greenland (50c)...	880g	...
Samoa (25c)...	10	...
U.S. Territories (50c)...	4	...

...er Per. (12/Pd).....	412	-
...ultan Min. (60c).....	35	-2
...estmex (10c).....	17	-
...Mining (50c).....	152	-2
...um Creek (20c).....	215	+5

TIN—EASTERN		
...er Hitam.....	90	-
...runtai 8M25.....	808	-2
...mpeng Cons.....	160	-
...ngkong.....	76	-

...monting 15p....	44	1	...
...linchall	87	1	...

Angkutan (10p)....	33	...
Asuransi (\$M)....	58	...
Bantuan Kinta (10p)....	81	...
Bantuan Malaysia....	88	...
Angkutan Baru (20p)....	49	...
Angkutan Baru (\$M)....	13	...
Angkutan (10p)....	98	...
Angkutan Harta M\$1....	63	...
Angkutan	86	...

TIN—NIGERIAN

malpigated	16	...
Lends (10p).....	51 $\frac{1}{2}$	-1
old & Base (12sp).....	5	...
ntar (12sp).....	31 $\frac{1}{2}$	-1

TIN—MISCELLANEO		
ralt Tin.....	234	...
bulica (CSS)...	41 $\frac{1}{2}$	...
error.....	220	...
odon Tin (20p)...	110	-5

Piran.....| 62 | ..

COPPER	
peranza (18p)...	78 1/2
dian (10p).....	12
essins (Ro. 50)...	254
MISCELLANEOUS	
arma Mine (174p)	6
nt. Prov Mt (129p)	21
arterhall (16p)...	17
ss. Slurch (10c)...	410
P. Mo. Ind. Dh.	679

1. Light Ind. Soc.	275	...
2. Light Ind. Soc.	450	...
3. Light Ind. Soc.	225	...

Printed and published by The
Financial House, Cannon Street,
London, E.C. 4.

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Lombard

Threat to the \$-sterling's position

BY C. GORDON TETHER

AT THE MOMENT, the weakness of the dollar is threatening a major policy issue only for countries like France and Japan whose currencies are widely regarded as undervalued in relation to their own right, so to speak. But it will be a very different matter if the situation so develops that the U.S. is compelled to take the initiative in establishing the value of the dollar at a more realistic level. For in those circumstances many other countries—including Britain—will find themselves having to decide whether to follow the dollar down the whole or part of the way.

When the spring-time upheaval in the international dollar market culminated in a series of revaluations and floats in major European currencies, it looked as though the problem presented by the overvaluation of the dollar might be solved in the manner the U.S. has always wanted it to—through a general advance of appropriate size in the values of other currencies.

Ho'ding out

Unfortunately for the U.S., a number of the countries that would have to participate in this process in carry it anywhere near completion—notably France and Japan—are displaying an increasing determination not to collaborate in reducing the dollar of the book in this way.

This clinging in of heels is creating serious immediate problems for the countries that are doing it. For the emergence of their currencies as the "best bet" for revaluation in relation to the dollar has put them under pressure in deciding between making bigger and bigger efforts to curb the highly embarrassing speculation in their currencies and abandoning the fight to preserve their parities in the way the Germans did earlier on.

But there are no such worries at present for countries outside the principal "revaluation suspect class". For since they have not contemplated revaluing the value of their currencies in terms of the French franc or the Japanese yen, they clearly have no choice but to watch and wait.

Less easy

What they should be starting to think about, however, is what they will do if the continuing refusal of the rest of the world to provide the U.S. with adequate relief through revaluations from payments difficulties generated by the overvaluation of the dollar eventually forces Washington to complete the process itself.

If that happens, these countries whose currencies are undervalued in relation to the dollar at present parities—and they include Denmark, Belgium, and Italy as well as France and Japan—would presumably jump at the opportunity to devalue in order to effect a more or less painless revaluation against it. But in those many other cases where under-valuation against the dollar is not so marked, it would be much less easy to decide whether to follow the dollar down and, if so, to what extent.

Of critical importance here—for it would certainly have a big influence on the thinking of those other countries that were reluctant to revalue in making up their minds—would be the decision taken by the U.K. The continuing strength of the U.S. dollar of payments and the fact that the flight from the dollar is manifesting itself in some extent in a movement of money into London might suggest that even the £ is now a serious candidate for revaluation against the dollar.

Can rations

However, examination of the way in which U.K. export prices have behaved during the past year in relation to those of the U.S. suggests that, for all the official talk about the strength of the £, the British authorities might now be found extremely reluctant to run the risk of revaluing it against the dollar even in very modest degree.

At the end of 1969 British export prices were some 13 per cent more competitive against America than they had been in the early 1960s, thanks to the 1967 devaluation of the £ and the fast rate of the dollar since then the gap has been continuing to narrow rapidly so that the advantage retained by British exports is now no greater than about 5 per cent.

It looks, in short, very much as though the £ is going to stay where it is, unless there is a present party whether America's over-valuation is effected by other countries or through unilateral action by the U.S. itself.

THE LEX COLUMN

Shell confirms its 1971 prospects

Shell's second quarter earnings gain of 15.7 per cent, (to \$105.6m.) is a slap in line with Texaco's, just half the rate of Esso, and a relief after the 20 per cent. decline from Shell Oil of the U.S. The results put the outlook for the year broadly back where it was after the first quarter figures, with a 15.5 per cent. net increase for the first half and a rise of something between that and 20 per cent. likely for the year—with the rest of the world fully compensating the likely shortfall in the U.S. The second quarter has already seen a fall of perhaps five points in the rate of increase in both unit costs and revenues per unit against the comparable period; the reason for expecting better margins in the second half of the year is simply that unit costs above all transport costs are expected to drop relative to unit sales.

On balance this result must have bullish implications for the outcome from BP for the year. Forgetting its gearing, BP's short-term bull points over Shell are the absence of a poor U.S. result and its lesser commitment to the dragging chemical industry. However the price/cost play looks like being far less advantageous to BP in the second half of the year. Its relative lack of long-term contracts and heavy fuel oil content will be a weakness as prices ease just as they were its strength in the second half last year: equally its scope for cost savings relative to 1970 looks smaller than Shell's. Still that need not prejudice the chance of a prospective p/e of 15, which would seem fair against 12-13 for Shell, up 5p to 408p yesterday.

See also Page 14

Glynwed

Twyford's must be squirming, just a little, after to-day's interim from Glynwed which took the latter's shares up 11p to 173p and the value of its bid for Twyford (formal offer next week) up to 100p against the original 101p nearly a month ago. If the best form of defence were offence, Twyford's might

find it hard to knock Glynwed with its half-year profits up 34 per cent, to £3.37m. before tax. This takes in 12 per cent. for internal growth and the rest for a clutch of smallish acquisitions which lifted the equity by only 12 per cent—but, just the same, made a comfortable dent in the debt-equity ratio of 1.56:1 that raised the odd eyebrow last December 31.

Internally, Glynwed has had further profit growth from Allied Ironfounders, helped by the exit of Ideal Standard from the cast iron bath market; the lower copper price, on balance, was probably a good thing since Glynwed keeps a tight stock position and the offtake from the building industry has been good. The same should apply to the second half, but Glynwed is not raising high hopes about the motor industry demand and its forecast of profits "at least" double the first half total should not be taken as over-cautious. That, however, is not going to matter much with prospective earnings of 11.7p putting Glynwed on a p/e of 14.6. The ques-

tion for next week is whether Twyford's has enough up its forecasting sleeve to make an historic exit p/e of 18.4 look sick; the market, with Twyford's 2p better at 1104p last night, seems to rate this a reasonable outside chance.

See also Page 14

ICI/Carrington

ICI's purchase of the three main yarn processing subsidiaries of Carrington Viella might have been the occasion to start the promised reduction of the 64 per cent. ICI holding. But in the event the group has settled for £10m. cash—cancelling CV shares would involve legal complications, and anyway ICI would not feel too happy about doing a deal with CV at 38p when it had paid effectively 56p. Moreover the cash will be highly welcome to CV, given its end-1970 overdraft of £22.7m. For CV, then, the deal means saving interest of say £300,000, plus royalties of at least £350,000 annually for five years, in exchange for yarn processing profits which this year will be

"lower" than the £16m. or so pre-interest for calendar 1970. For ICI the return on the £22.5m. to be invested in Qualitex plus the CV (trio would appear to be meagre. Yet it has its new combined drawing and bulking process to cut costs, and (with Qualitex) the opportunity to step up the throughput of its own fibres.

Raybeck

The Raybeck share price has been in season again lately, charging up from 73p to 93p in the seven trading days to last Tuesday. Subsequently it has subsided, slightly, to 90p by last night but the market should find itself on a firm footing after the 1970-71 results, and details of the Werff retail acquisition. On the face of it, neither the results nor the acquisition provide much additional fodder for the bulls. Profits of £1.435m. against £1.31m. pre-tax, may be, a £100,000 contribution from the Bradmore acquisition largely offsetting the effects of the postal strike on Raybeck's mail order customers, show the

sort of solid internal growth that the market has been used to for years; as for Werff, the expenditure of £800,000 for profits of £84,000 could be related to a p/e. for Raybeck, of 11½—no earnings of 7.67p a share—pro forma for a full year of Bradmore and Werff, and fully diluted.

However, earnings this year should be due for a double boost, first from the integration of Bradmore and Werff, the latter coming in at asset value and cheap in the sense that Raybeck is getting 200 for retail outlets (making 200) for a little over £400,000, and 3 little under £400,000 in current assets which could be employed more intensively; secondly, there is the prospect of renewed growth in mail order from a depressed level. All told, Raybeck could be heading for £1.9m. to £2m. pre-tax with a retail contribution of up to 45 per cent against 25 per cent. in 1969-70; with or without a re-rating, that could only be good for the shares. See also Page 16

DTI denies 'Davies lost UCS £120m. orders'

BY ANDREW HARGRAVE, SCOTTISH CORRESPONDENT

GLASGOW, August 5.

THE Department of Trade and Industry is today firmly denying a suggestion by shop stewards at Upper Clyde Shipbuilders that Mr. John Davies, the Secretary of State, had "intervened and stopped" negotiations for new orders.

Earlier to-day, Mr. James Reid, finishing trader, owner of UCS's Clydebank yard, had alleged that Mr. Davies's intervention lost the company, now in liquidation, £120m. worth of orders—and that subsequently he had his thin order book as a "justification for hatching our industry."

The Department said there was "no truth" in the allegation. The UCS directors' decision to seek liquidation had "automatically brought to an end discussions on new orders."

The orders to which Mr. Reid had referred were in fact product carriers and "Clyde" cargo ships of which UCS has seven on the stocks.

Mr. Kenneth Douglas, managing director, has mentioned the possibility of orders for 20 product carriers at over £30m. apiece, but it is understood that the negotiations were in early stages when UCS went into liquidation on June 14.

Memorandum

Mr. Reid also claimed that the shop stewards had actually seen the memorandum said to have been prepared by Mr. Nicholas Ridley, Under-Secretary at the Department for Trade and Industry, in November 1969, suggesting the eventual dismemberment of UCS.

"We have seen the Ridley document," said Mr. Reid. "We know it exists and will publish it at the appropriate time."

He added, however, that should Mr. Davies accept the proposals put forward by Mr. Harold Wilson in Glasgow yesterday and again in the Commons this afternoon, the shop stewards would be willing to abandon their "work-in" immediately.

Mr. Wilson has suggested that the Government should guarantee the existence of UCS as it is now for a fixed period of, say, five years and back it with "production" orders.

The Government's plan, based on the recommendations of its four advisers, provides for a one-off company with less than a third of UCS's present labour force.

"We'll fight this plan all the way," Mr. Reid promised. At Clydebank, due to close in March under the plan, shop stewards were to-day speaking of money and cheques "pouring in". Some of the money and cheques were in view for all to see.

Workers at three Scottish shipyards—Hall Russell, Aberdeen; Caledon, Dundee; and Scott Lithgow on the Lower Clyde, have agreed to a voluntary levy to support the fight to retain UCS and its labour force intact, said Mr. James Airlie, chairman of the Joint shop stewards' committee.

Next Tuesday, West of Scotland shop stewards from a large number of factories and workshops will be asked to introduce similar levies at their place of work. The Hall Russell contribu-

tion, said Mr. Airlie, amounts to about £350 a week, a minimum of 25p per worker.

Two unions, the Scottish Miners and the Scottish Committee of the Transport and General Workers, have donated £1,000 each to the fund and unions in other parts of the country have been asked to follow suit.

Redundancies

The time when the funds will be needed is rapidly approaching as the shop stewards intend to "re-employ" all workers to be declared redundant by the liquidator, Mr. Robert C. Smith. Up to 400 redundancy notices are expected to go out within the next fortnight.

This evening, a spokesman for Mr. A. D. Kelly, former owner of Ardrossan Dockyard (who is negotiating with the liquidator for the Clydebank yard) said a meeting with the UCS shop stewards planned for to-day had not materialised because the stewards wanted to discuss UCS as a whole. "Mr. Kelly was not in a position to do this," said the spokesman.

In the Commons yesterday, Mr. Davies said in a written reply that approaches had been made to the Official Liquidator by prospective purchasers of assets of Upper Clyde Shipbuilders. He was unable to disclose the nature of the approaches but added: "The Government does not rule out the possibility of financial assistance to purchasers."

The question of responsibility, Page 13

Alternative proposals will be considered—Whitelaw

BY PHILIP RAWSTORNE

GOVERNMENT assurances that alternative proposals for the future of upper Clyde Shipbuilders would be seriously considered were given to the Commons yesterday by Mr. William Whitelaw, Leader of the House.

Mr. John Davies, Secretary for Trade and Industry, would examine proposals put to him during his visit to Glasgow and any other suggestions, said Mr. Whitelaw.

He said that an appeal by Mr. Wilson, Leader of the Opposition, that the Prime Minister should visit Clydeside next month would also be given careful consideration.

Mr. Wilson had asked for an assurance that no action would be taken on the Government's closure programme until Mr. Heath had visited the area. "If the Prime Minister will go with an open mind and look at these problems and talk to these people, he will get a very different impression from that which he might have got through reading, rather hurriedly, documents which have been produced in the recesses of Whitehall."

Mr. Wilson said he had been in no doubt last week that the Government's decision was wrong. "I am much more convinced now."

Mr. Davies's visit to Glasgow must have left him "pretty shattered," Mr. Wilson said. "When the Prime Minister is in Scotland next month, he should make it his business to see all those who can help him in taking the right decision on UCS."

management, trade unions, shop stewards and civic heads. "I would hope he would really listen to them and then form his own view," said Mr. Wilson.

There would be no criticism of the Government if it changed course. The Opposition had proposed that the Government should take over financial responsibility for UCS for "a long enough period" because it believed that UCS was a viable concern.

The problem was one of acute cash flow. "It would be a crime not to strike it down and disintegrate it without giving it a chance," he said. "All the evidence I heard yesterday suggests it is likely to be viable and that it is being strangled because of the financial grip rather than any inefficiency of the yard."

glomeration of paternalistic and puerile platitudes designed to direct attention from the passing of the Bill into law. It was not a Code but "a Code designed to induce a state of stupefaction while the Industrial Relations Bill is forced down our throats."

Although addressing a conference on the Code, Mr. Daly spent most of his time attacking the Act—indirectly confirming the view that once they have condemned the Code for being paternalistic union leaders have few other major objections to it and in fact mainly oppose it for its association with the legislation.

Mr. Carr is expected to make an announcement soon on his programme for implementing the various parts of the Act. During its Parliamentary stages the legislation was changed by some nine amendments of substance in the Commons and 17 in the Lords.

Editorial Comment and Men and Matters Page 12

Airlines wide open on Atlantic air fares

By Our Own Correspondent

MONTREAL, August 5. IT IS now regarded as quite possible that the five weeks of bargaining over air fares may end this week with a deadlocked "open rate" situation on the key Atlantic route.

The fare package negotiations, halted by the presence of nearly 20 airlines' top executives, have been going on with day and night sessions, but the International Air Transport Association members are still far apart on the proposals.

LATA spokesmen said the airline negotiators, both top-level personnel and regular officials, cannot stay in Montreal forever "trying to reach a compromise."

The open-rate situation would allow airlines to charge any fare the market would bear to fill empty plane seats with passengers now being siphoned off by the charter firms.

It is believed one of the stumbling blocks concerns youth fares where a price war started this summer.

Some airlines argue that after the initial rush for cheap seats, many of these travellers would have paid so-called normal fares anyway.

U.S. LINES' AGENT

International Marine Management (U.K.) has been appointed the United States Lines' port and operations agent at Felixstowe.

A weekly sailing is scheduled from Felixstowe to the U.S. east coast, U.S. west coast and the Far East.

Single SE for U.S. urged

BY JUREK MARTIN

NEW YORK, August 5.

THE best interests of the United States require that a single, national auction market for the trading of securities be created as soon as possible, according to Mr. William McChesney Martin, whose keenly-awaited report on the future of the American securities industry is to be released to-day.

This recommendation, perhaps the most far-reaching in Mr. Martin's study, is by no means the only one that will set Wall Street and all the other financial centres of the country talking in the next few months.

Among other things, he has concluded that institutions should be prohibited from membership of the stock market, that the NYSE should be completely overhauled to give the investing public more say in the conduct of its affairs, and that there is reason to believe that negotiated commission rates on stock transactions may not be desirable.

Mr. Martin was asked to write his report six months ago by the NYSE. He was head of the Federal Reserve for 19 years and a former chairman of the NYSE.

The aim, he says, would be to provide a simple market for each listed security, though there could be two or more tiers depending on the standards required for listing.

If securities are not listed, they should be traded over-the-counter. It should not be possible for any stock to be quoted on both a listed and over-the-counter market.

Mr. Martin recommends that a committee of experts be appointed to examine, plan and design a national stock exchange; and acknowledges that it could require new legislation. He does not say, however, that this would mean the end of the

individual exchanges as they are now known, but implies that the long run this could be the effect.

Pending the formation of a national exchange, he recommends that the NYSE itself should be drastically overhauled. The Board should be reduced from its present 33-man strength (29 of whom are brokers) to 21—a paid chairman, 10 from the investing public, including officials from listed companies.

Prime business

Mr. Martin suggests that the exchanges would not be made more responsible by institutional membership, and reaffirms the necessity of recognising and preserving the difference between the securities business and other business.

The prime business of members of stock exchanges, he says, should be broking and dealing, and not as subsidiaries of banks, insurance companies and so on. He also recommends that brokers be forced to divest themselves of any captive mutual fund operations they now manage.

He does not, however, go so far as to suggest that the functions of broking and money management should be divorced. Concerning negotiated commission rates, currently in force on the NYSE on orders of over \$500,000, Mr. Martin fears that negotiated, as opposed to fixed, rates could drive the smaller broker out of business. But he suggests the current experiment demands close study before any decision on whether to extend or curtail it.

One point of interest to British and European brokers is Mr. Martin's recommendation that the NYSE should consider dropping its ban on exchange membership by foreign firms. However, he observes that foreign institutions, like their domestic counterparts, should be excluded.

Corfield and Haughton for TriStar talks to-day

BY RAY OAFER

MR. FREDERICK CORFIELD, Minister for Aerospace, is to meet Mr. Daniel Haughton, chairman of Lockheed, this afternoon to review progress over the TriStar and Rolls-Royce RB-211 engine negotiations and to discuss the aircraft's market potential.

Mr. Corfield will want to know, in particular, how well the discussions over the supply of engines to Lockheed have been proceeding during the past 24 hours. Mr. Haughton said last night that the talks with Rolls-Royce (1971) management had been going well.

The Lockheed chairman, who had earlier met Lord Coles,

chairman of Rolls-Royce (1971), said he was impressed with the development of the engine. "We are making good progress. Everything is coming along all right."

While the price Lockheed will pay for the engine has already been agreed (\$2.95m. for a "ship set" of three for each aircraft, almost £449,000 more than the original contract price) other aspects of the engine contract have been the subject of detailed negotiation in Derby, I understand.

Among the details which may have had to be completed are the conditions of escalation and penalty clauses, guarantees, delivery schedules, and spares and servicing facilities.

Brick stocks drop as building activity rises

BY DAVID WALKER

BRICK STOCKS have continued to slump as the level of building activity has risen, according to provisional figures released yesterday by the Department of the Environment.

The total of 444m. at the end of June was virtually 30 per cent down on the \$49m. figure of 12 months earlier and the lowest since at least November, 1969. For May, the figure was 512m.

Although addressing a conference on the Code, Mr. Daly spent most of his time attacking the Act—indirectly confirming the view that once they have condemned the Code for being paternalistic union leaders have few other major objections to it and in fact mainly oppose it for its association with the legislation.

Mr. Carr is expected to make an announcement soon on his programme for implementing the various parts of the Act. During its Parliamentary stages the legislation was changed by some nine amendments of substance in the Commons and 17 in the Lords.

Editorial Comment and Men and Matters Page 12

bricks (537m. seasonally adjusted) against 544m. (521m.) the previous month, and 528m. (495m.) a year before.

Deliveries were up on the May total of 612m. to 624m. but below June, 1970, when the figure was 656m. In seasonally-adjusted terms, however, June saw a fall both on the previous month and on a year earlier. The figures are 519m., 535m., and 537m. respectively.

Overall, the statistics show that output is running evenly with demand, compensating for the poorer position of the building industry, which suggests a steady rise in overall construction work this year, but little change so far as housing, one of the main brick users, is concerned.

Cement production

Other figures from the Department yesterday show that cement production in June fell sharply from both the previous month and June, 1970. Average weekly output in the month stood at 350,000 metric tons against 375,000 and 371,000 respectively.

BELLS

SCOTCH WHISKY

Home & 40

Weather

U.K. TO-DAY
Scotland and Northern Ireland will have showers with some thunderstorms. Northern and North Wales sunny and isolated showers. Southern England and Wales sunny spells early but later. It will be rather cool. London, S.E., E. Anglia, C. Sunny spells early, clearing rain at times later. Max. (68F).
South-West, S. Wales, W. Becoming cloudy with times, heavy in places. Max. (64F).
Channel Is. Showers, sunny spells, 19C (66F).
E., N.E. and Cent. N. Is. Isolated showers, sunny spells. Max. 19C (66F).
N. Wales, N.W. Eng. L. of Man, N. Ireland, S.W. Is. Glasgow, Argyll. Isolated showers, sunny especially in afternoon. Max. (61F).
Borders, E. Scot. Edin. Isolated showers, sunny spells. Max. (61F).
Cent. Highlands, N.W. Dundee, Cathness. Cloudy, rain or showers, lated thunderstorms. Max. (59F).
Orkney, Shetlands. Cloudy, rain heavy at times, perhaps thunder. Max. 12C (54F).
Outlook: Rather cool, scattered showers and sun.

BUSINESS CENTRES

Y-day	Mid-day	Y-day	Mid-day
Amst. 10.20	10.20	Madrid 10.20	10.20
Bahia 10.20	10.20	Mexico 10.20	10.20
Bombay 10.20	10.20	Montreal 10.20	10.20
Buenos Aires 10.20	10.20	New York 10.20	10.20
Cairo 10.20	10.20	Osaka 10.20	10.20
Calcutta 10.20	10.20	Paris 10.20	10.20
Colon 10.20	10.20	Rio de Janeiro 10.20	10.20
Hankow 10.20	10.20	Singapore 10.20	10.20
Hong Kong 10.20	10.20	Stockholm 10.20	10.20
Kobe 10.20	10.20	Switzerland 10.20	10.20
London 10.20	10.20	Tokyo 10.20	10.20
Lyons 10.20	10.20	Toronto 10.20	10.20
Manila 10.20	10.20	Warsaw 10.20	10.20
Medan 10.20	10.20	Zurich 10.20	10.20

HOLIDAY RESORTS

Y-day	Mid-day	Y-day	Mid-day
Adelaide 10.20	10.20	Jersey 10.20	10.20
Algeria 10.20	10.20	Las Palmas 10.20	10.20
Algiers 10.20	10.20	Luxor 10.20	10.20
Ankara 10.20	10.20	Malaga 10.20	10.20
Athens 10.20	10.20	Malta 10.20	10.20
Bahia 10.20	10.20	Nairobi 10.20	10.20
Bombay 10.20	10.20	Rangoon 10.20	10.20
Buenos Aires 10.20	10.20	Rome 10.20	10.20
Cairo 10.20	10.20	Saint Paul 10.20	10.20
Calcutta 10.20	10.20	Singapore 10.20	10.20
Colon 10.20	10.20	Stockholm 10.20	10.20
Hankow 10.20	10.20	Switzerland 10.20	10.20
Hong Kong 10.20	10.20	Tokyo 10.20	10.20
Kobe 10.20	10.20	Toronto 10.20	10.20
London 10.20	10.20	Warsaw 10.20	10.20
Lyons 10.20	10.20	Zurich 10.20	10.20